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ABSTRACT

This volume is the first in a series of four publications related to a project on the creation of a Regional University Network on Governance and Management of Higher Education in South East Europe. The volume contains an overview of higher education governing structures on countries participating in the project: Albania, Bosnia and Herzegovina, Croatia, the Federal Republic of Yugoslavia, and the Former Yugoslav Republic of Macedonia. The study assumed a broad interpretation of governing structures, to include strategic planning and management and quality assurance. The first part of the report, "From Words to Action," discusses changing higher education structures and functioning. The second part, "Mapping Trends and Developments," contains a compilation of data, information, and analyses provided by the partner institutions in the network countries. (SLD)

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From Words to Action: Approaches to A Programme

Lazăr Vlăsceanu and Lewis Purser

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Papers on Higher Education

Regional University Network
on Governance and Management
of Higher Education in South East Europe

From Words to Action:
Approaches to a Programme

Lazăr Vlăsceanu and Lewis Purser

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This report was elaborated within the framework of the programme, "Regional University Network on Governance and Management of Higher Education in Albania, Bosnia and Herzegovina, Croatia, the Former Yugoslav Republic of Macedonia (FYROM), and the Federal Republic of Yugoslavia". The programme is, for the most part, funded by the European Commission and is being implemented by the UNESCO European Center for Higher Education (UNESCO-CEPES) in co-operation with the Task Force on Education and Youth - Enhanced Group Process (Stability Pact for South East Europe).

Preface

This volume is the first in a series of four publications on aspects of governance in higher education that are being produced as a partial outcome of the joint UNESCO-CEPES - European Commission project to create a Regional University Network on Governance and Management of Higher Education in South East Europe. The Programme was originally presented through Table One "Democracy and Good Governance" of the Stability Pact for South East Europe as part of its "quick-start package". It has been developed through the Task Force on Education and Youth, Enhanced Graz Process, a coordinating mechanism for educational co-operation with South East Europe.

The basic assumption of the Programme is that, when considering the overall situation in the countries of the region, education in general, higher education in particular, should play a key role in supporting the search for sustainable peace, reconciliation, and development of civil society.

Its wider objectives include the following:

- to integrate the universities and higher education authorities of South East Europe into existing European networks;
- to develop higher education policies that are based on European standards and international best practice in the areas of strategic management, financial management, relations with civil society, and quality assurance;
- to develop national and institutional capacities and skills in higher education strategic management and policy making;
- to stimulate the establishment and/or consolidation of new structures and mechanisms of financial management, based on the principles of university autonomy and accountability, while encouraging the establishment of links with civil society and local economies.

The anticipated outcomes of the Programme are expected to include the following: *(i)* integration of the countries of South East Europe into the European Higher Education Area as defined in the Bologna Declaration; *(ii)* the creation of a network of the authorities and institutions involved in higher education through which good practice in academic governance, policy making, strategic and financial management, and quality assurance in higher education can be exchanged; *(iii)* strengthened national institutional capacities and skills in regard to strategic management and policy making in higher education; *(iv)* the creation of new structures and mechanisms for financial management, based on the principles of university autonomy and accountability, while encouraging links with civil society and local economies.

This first volume, by Lazăr Vlăsceanu of Romania and Lewis Purser of Ireland, describes the results of a survey of higher education governing structures in the countries participating in the Programme: Albania, Bosnia and Herzegovina, Croatia, the Federal Republic of Yugoslavia, and the Former Yugoslav Republic of Macedonia and recommends ways in which its activities should develop to meet the individual needs of the beneficiaries. The survey, it should be added, has assumed a broad interpretation of governing structures to include those structures specifically devoted, in the countries and higher education institutions and systems concerned, to strategic planning and management, to the funding of higher education and to financial management, and to quality assurance.

Indeed, separate volumes are planned and will be published on strategic planning and management of higher education, on quality assurance and the development of course programmes, and on financial management and institutional relationships with civil society and the local economy. The three of them along with the present volume will, first of all, be addressed to the leadership of the ten pilot higher education institutions that have been selected in the subregion covered by the Programme. They will also, of course, be of interest to other stakeholders.

We offer this first publication that is published as a volume in the UNESCO-CEPES series, Papers on Higher Education, in the hope that it will contribute strongly to the anticipated goal of creating a successful Regional University Network of Governance and Management of Higher Education in South East Europe.

Jan Sadlak
Director of UNESCO-CEPES

Foreword

The Programme, "Regional University Network on Governance and Management of Higher Education in Albania, Bosnia and Herzegovina, Croatia, the Former Yugoslav Republic of Macedonia (FYROM), and the Federal Republic of Yugoslavia", was designed so as to include three phases: an inception phase, an implementation phase, and a dissemination phase. During the inception phase (1 January – 31 March 2002), we were expected to survey the state of governance and management structures and their functioning in higher education in Albania, Bosnia and Herzegovina, Croatia, the Federal Republic of Yugoslavia, and the FYR of Macedonia. Given the data and information acquired, we were also expected to make recommendations as to how the Programme activities should develop to meet the needs and concerns of the beneficiaries. The resulting report was to be presented to the Steering Committee of the Programme before the end of the inception phase.

We are now submitting our report. While doing so, we should like to thank all those who shared their experiences, data, and information from all the higher education institutions concerned and from the ministries in charge of higher education in the beneficiary countries. We are also indebted to those who wrote thematic reviews, mainly within the framework of OECD, but also within other frameworks (*e.g.*, EC TEMPUS, the Council of Europe, UNESCO, the Soros Foundation, etc.), on national policies for education in the countries/entities involved in our Programme, and who provided us with valuable information. We have tried to map out that information from various documents which would provide insights into the state of higher education policies, while correcting or matching it with the information collected during our study visits to the beneficiary countries. We are personally much indebted to our colleagues who traveled in each country/entity of the region (Lewis Purser, László Frenyó, and Karl Kaser), to those from UNESCO-CEPES (Laura Grünberg, Cecilia Preda, and Ana-Maria Dima) who compiled

the information on trends and developments in higher education, and particularly, to Mariana Gherman, Lazăr Vlăsceanu's secretary, who worked so very hard, far beyond the call of duty.

Our report is structured into two parts, these being the *Executive Summary*, and the *Report* as such. The *Executive Summary* is not simply a résumé of the information on governance and management structures and on the developments in the areas of concern in our Programme (*i.e.*, strategic management, funding and financial management, and quality assurance). The main points here refer to those recommendations which we consider valuable and important for the contents and approaches of the future activities to be developed in the Programme. We are expecting the Steering Committee members to reflect on the proposed recommendations and to provide us with comments and, of course, suggestions for further improvement. The *Report* as such includes two parts. The first part provides detailed information and the grounds for our recommendations, while the second part is a compilation of basic data and information so structured as to outline the current European views on higher education policies and developments from the beneficiary countries.

Needless to say, all the views expressed in this report are those of the authors and do not commit, in any way, the organizations for which they work. Moreover, the views are first and foremost intended to increase the effectiveness and efficiency of the envisaged Programme activities, and also to enhance the contribution of South East European higher education in the shaping of the envisaged European Higher Education Area.

Although our report is focused on the governance and management of higher education and to related issues, our key assumption is that governance and management are as good as the academic performances in teaching, research, and scholarship they induce. For this reason, we consider the two

areas to be matters of common concern for academics and policy makers.

It seems to us that the time is ripe in the region to be passing from words to action, while assuring the full compliance with the contemporary development of higher education in Europe. It is our hope that this wish will soon be realized.

Lazăr Vlăsceanu and *Lewis Purser*

Terms of Reference

Within the Programme, Regional University Network on Governance and Management of Higher Education in Albania, Bosnia and Herzegovina, Croatia, FYROM and FRY, in order to elaborate, during the inception phase, a report on *Needs and Issues of Concern in the Higher Education Systems of the Beneficiary Countries*, a team of experts is established as follows,

- Lewis Purser, European University Association (EUA);
- Karl Kaser, University of Graz, Department of South East European History;
- László Frenyó, Western Maryland College, Budapest Programme;
- Lazăr Vlăsceanu, UNESCO-CEPES.

The members of the team will work with the following terms of reference:

- To outline the overall state of the systems of higher education institutions in the beneficiary countries, with particular references to purposes, shapes, structures, sizes, and flows of students, staff and study materials;
- To specify the recent developments in the systems and institutions of higher education in the fields of:
  - governance, strategic management, and policy making ;
  - funding sources and mechanisms, financial management, and institutional relationships with civil society and the local economy;
  - quality assurance and the development of study programmes.
- To collect information on other projects, particularly on TEMPUS projects, relevant for the topics of the Report;
- To identify the needs for further improvement in the above-mentioned fields;

- To formulate recommendations on how the contents and the activities of the Programme on the three topics mentioned above should be designed to meet the needs of the beneficiaries.

The team should take account of the Description of the Programme, in Part 2, below.

The following issues need special attention in data collection and processing:

STRATEGIC MANAGEMENT, GOVERNANCE, AND POLICY MAKING:

- University autonomy and accountability; legal basis, faculty *versus* university level; mechanisms of functioning; possible infringements on university autonomy.
- Leadership and policy-making in higher education: types of relationships between ministry and institutions; degrees of freedom for institutional actions – centralization/ decentralization in the system; academic democracy at work.
- Decision-making process: decision-making bodies and areas of competence; factual information availability and decision-making.
- Policy evaluation and its effects.
- Academic management and university administration: distinctions *versus* overlaps between areas of competence; existing competencies of the administrative staff (at ministry and institutional level); incentives for improving the qualifications of academic managers and university administration.

FINANCIAL MANAGEMENT AND INSTITUTIONAL RELATIONSHIPS WITH THE CIVIL SOCIETY AND LOCAL ECONOMY:

- Sources of higher education funding and their shares in institutional budgets.

- Level of budgetary funding of higher education (comparative data in time and space).
- Modalities of distributing budgetary funds to institutions: transparency *versus* opaque systems.
- Investments in developing institutional infrastructures, mainly laboratory equipment and libraries.

QUALITY ASSURANCE AND DEVELOPMENT OF STUDY PROGRAMMES:

- National and institutional mechanisms, bodies, processes of quality assurance.
- Quality evaluation: existing standards and indicators.
- Institutional mechanisms of academic quality improvement.
- Quality assurance and accreditation.
- Relationships between quality assurance and study programmes with special reference to study credits and their transferability.

These are to be seen within the wider framework of the Bologna Process for shaping out the European Higher Education Area.

The members of the team should visit authorities and institutions of higher education as follows:

Mr. Karl Kaster	in Albania and FYROM
Mr. László Frenyó	in Serbia, Kosovo, and Montenegro
Mr. Lewis Purser and Mr. Lazăr Vlăsceanu	in Croatia and Bosnia and Herzegovina

During the visits, the members of the team will collect information and process it in order to present an overview on each country. The overviews will be further processed by Mr. Lewis Purser and Mr. Lazăr Vlăsceanu and presented in the form of a Report. The Report will be presented first to the Steering Committee of the Programme.

Executive Summary

Development of Higher Education: Searching for Options

When compared with universities of other European countries, particularly with those of the European Union, the universities of South East Europe (here we refer in particular to those in the countries covered by this Programme: Albania, Croatia, Bosnia and Herzegovina, the Former Yugoslav Republic of Macedonia, and the Federal Republic of Yugoslavia) are clearly faced with both specific and general challenges:

a) Europeanization and globalization of higher education;
b) Economic, political, and social transition;
c) The re-establishment of functioning, practical co-operation at regional level across (recently created) borders.

Each of these challenges alone is serious. Their combined effect generates the need to reform higher education, to introduce new institutional settings, and to connect them to the wider areas of European higher education.

Changes in higher education in South East Europe may be conceived from the perspective of certain assumptions:

- Catching up *versus* being part of a wider enterprise of reorienting higher education in Europe;
- Short-term *versus* long/medium-term perspectives of change;
- Reactive *versus* proactive changes;
- Change from inside *versus* change from outside;
- Top-down *versus* bottom-up change;
- Imposed *versus* self-generating change.

Such assumptions may help in clarifying the orientations of certain options. For the sake of demonstration, let us look more closely at some examples.

CATCHING UP VERSUS BEING PART OF A WIDER REFORM AREA

When considering the previously mentioned assumptions, two approaches might be underlined from the onset:

a) the "lagging behind" approach would put the emphasis on the gap that exists and will probably continue to exist between higher education institutions of Western Europe and those of South East Europe;

b) the "catching up" approach would bet on the opportunities which will be opened to universities in South East Europe to rapidly introduce those changes which will make them embark on a rapid development towards the emerging European Higher Education Area.

However, we prefer to dismiss both these approaches. The "catching-up" approach should be replaced by a convergent and concomitant development of the universities of South East Europe. It would be best for the agenda of change in the universities of South East Europe to line up with that of the West, this being the only way for them to be fully included in the common European higher education area. The challenges facing higher education in South East Europe are then not those of catching-up with higher education in Western Europe, but of being part of the wider enterprise of reorienting the whole of European higher education.

The Bologna Declaration provides such a framework, and the universities of South East Europe should take full account of its provisions, doing so being the best chance of making changes part of a long-term sustainability. The short-term support provided by the European academic community, let us say, within the TEMPUS programme, or within our own programme, should be framed by such an approach, avoiding any compliance with reparatory short-sighted measures, focused on local, sectional, or selfish academic demands. Potentially less hampered by complicated structures and large national systems of higher education, and already facing the

necessity of re-organization and development, the universities of South East Europe stand a good chance of acting as successful laboratories for radical innovation. This innovation can occur not only in the fields of knowledge production and distribution, but also in the development of civil society. For this change to occur, the reconstruction of the idea of the university in South East Europe should be placed on the agenda.

RECONSTRUCTION OF THE IDEA OF THE UNIVERSITY

First and foremost, the reconstruction of the idea of the university in South East Europe stems from the current conception of the university as an association/federation of autonomous faculties/schools/departments. Pushed to an extreme, each faculty presents itself as a highly specialized "university", having its own staff, rules, and curriculum, while maintaining only very loose relations with other faculties under the umbrella of a university deprived of any real institutional power. Given such circumstances, it is easy to appreciate the lack of communication among disciplines, the closing of specialized minds, the parallel tracks of evolution, and the multiplicity of disciplinary sectional interests and identities. In addition, community fragmentation is associated with various sorts of academic diversification, which, however, does not take into account the growing demands for inter-disciplinary teaching, learning and research.

Overly focused on locally entrenched development, the universities of South East Europe are faced with the risk of not taking due consideration of the current trends of Europeanization and globalization of the academic world. While the traditional Humboldtian, Napoleonic, or Anglo-Saxon models of the university are under review everywhere, regarding their capacity to cope with the trends of massification and globalization, those in South East Europe are looking too much into the past for inspiration to cope with present realities and new developments.

While being mass oriented in form of scale and structures, the universities of South East Europe tend to remain élitist in their values and approaches. This stance generates a tension that reveals itself in the ways universities function and manage their affairs. Moving beyond this tension requires them to reach out to diverse communities of current and potential learners, to appreciate the relevance of the newly emerging synergies linking the economy, identity and culture, and knowledge and society. It also means that universities should seek new managerial and governing models that require new structures and mechanisms, the professionalization of managers, and reliance on a new group of specialized academic administrators.

Much of the emphasis in university governance and management has been placed on the restoration and conservation of institutional autonomy and academic freedom. These are, by all accounts, very important issues in South East Europe, particularly when one considers the legacies of the recent past. However, certain consequences of this emphasis cannot be overlooked. First, faculties and schools are separate legal entities, funded directly or indirectly by the state, disposing of full autonomy within the university, thus removing any decision-making power from the university *per se*. Secondly, almost all managerial activities are carried out by academics, leaving to administrators only routine types of actions without clear responsibilities. The distinction between academic management and administration is not operational, thus bearing on the quality of the institutional functioning of universities. A way out of the dominant amateurish practices of university management should be rapidly found, thus putting in place the grounds for new managerial techniques. The reconstruction of the idea of the university calls out for appropriate changes in the relationships with faculties and schools, in the organization and development of curricula, and in institutional management and administration.

Trends and Developments

DIVERSITY AND COMMONALITY

The higher education systems and institutions of the countries/entities involved in the project reveal a certain level of both diversity and commonality. The commonalities have their origin, first of all, in the challenges higher education is confronted with in this period of transition to a market economy, liberal democracy, and a knowledge-based society. They also have origins in specific configurations of academic cultural traditions and in the existing institutional structures. When referring to diversity, a distinction should be made between "real" diversity, which is less obvious in academic terms, and "invoked" diversity, which is associated with the national and linguistic identities to be institutionally asserted by higher education institutions. Moreover, one is often referred to a large diversity of institutions in terms of their performances in research and teaching, in the quality of staff and students, and in the availability of teaching resources. In this respect, more often than not, one particular university, usually located in the capital city, is considered as having the highest performances, both in teaching and research, fully compatible with those of its Western European sisters. Other universities and higher education institutions, usually younger ones, are viewed as serving local communities, thus being parochial and with smaller chances of asserting themselves internationally. The problem with this perceived diversity is not the hierarchy as such, but rather its consequences in terms of resource distribution in the system and mainly with regard to any new initiatives or innovations.

HIGHER EDUCATION REFORM

While a certain variation in the issues of concern may be identified, there can be no doubt that the reform process is very much focused on two categories of issues. On the one hand, all government reform strategies emphasize governance and management issues related to funding, quality assurance,

accreditation, information system development, and student assessment. References are made both to new institutional (managerial) structures and to their efficient functioning. On the other hand, emphasis is being put on academic priorities: development of new study programmes and the restructuring of existing ones, the introduction of credit systems and of modular structures in new curricular designs, staff and student mobility, etc. However, the optimal ways of linking these two categories of reform issues are still a problem for the management of change. One may assume that without bringing about proper changes in the government and management structures of higher education, all transformations in the areas of research, teaching, learning, and student assessment will have less of a chance of being successfully implemented.

LEGISLATION

While in most of the countries/entities involved in this programme, new laws on higher education were adopted immediately after 1990, new laws were again adopted in the second half of the 1990s following the events and processes of the previous decade (*e.g.*, war, political changes, economic transition, increased internationalization, etc.). The present period is yet again dominated by the adoption of new laws on higher education. At this new stage, the basic trends are the following:

i) The provisions of the Bologna Declaration are considered as stipulating both the basic values and the most important options for assuring the development of higher education systems and institutions of a kind which would enable them to become part of the European Higher Education Area.

ii) The newly envisaged laws are not necessarily based on a thorough assessment of the state of affairs in higher education or on a clearly stated strategy of its development. Many countries/entities have no official higher education strategy. More frequently than not, the general assumption seems to be that a "good law" would provide both new

openings and opportunities for the development of higher education. A *law* would appear as the *solution* to almost all problems affecting higher education. The problem is that the notion of a "good law" is far from being the object of a consensus, being located in the realm of desirability. At the same time, in the best of cases, a law provides only a framework for further institutional development of higher education, and it should not be invested with more that it can do.

iii) University autonomy is considered by most academics to be a key value, which should be well protected legally, while politicians feel more attracted by the idea of the university as a national symbol and as an institution strongly and actively participating in the promotion of national values. We may observe in these approaches a gap between the meanings attached to the same value, the result being that autonomy is kept very much on the agenda. Furthermore, the essential link between autonomy on the one hand, and responsibility and accountability on the other, is rarely mentioned.

Our Programme will cover a period in which the legislative process for higher education is likely to be very dynamic. This dynamism may provide opportunities for certain actions, but it may also generate constraints which are now difficult to anticipate. It is hoped that the Programme can also help examine issues which future legislation may need to address.

STAFF SHORTAGE AND THE EXPANSION OF STUDENT NUMBERS

Almost every year, one may observe, in all the higher education systems and institutions across the region, a steady increase in the number of students coupled with a shortage of staff. Owing to the rigours of war and to other factors, many highly qualified staff have left their countries or institutions, and some have not yet returned. Young graduates prefer to opt for careers outside universities or in research institutes in order to earn higher salaries than what their institutions offer and to

have better prospects for personal development. There is also a shortage of staff in the administration of higher education at both system and institutional level.

INFRASTRUCTURE

In terms of premises, laboratory equipment, documentation, and training facilities, the infrastructure is either outdated or in a state that is badly affected by war or by lack of investment.

A GAP BETWEEN KNOWLEDGE AND ACTION

There is a considerable gap between available knowledge, readily demonstrated by university leaders and policy makers across the region, and concrete actions resulting from this knowledge. Breaks or barriers may be real or symbolic, but they are permanently present and perceived as acting against any effective and efficient constructive action. One may frequently listen to discussions about the difficulties of acting, rather than about how actions could be taken to eliminate difficulties in order to achieve something substantial.

GOVERNANCE AND MANAGEMENT

A strong focus on the political agenda (almost everything being politicized), a lack of leadership, and a scarcity of managerial and administrative staff affect the governance and management of higher education. Accountability is a non-existing concept or practice, since autonomy is considered to be the sign of the full independence of the corporate body of academics within their own organization.

RECOMMENDATIONS

When considering such background information, the key options for the future work within our programme should be based on the following principles:

- From words to action
- Barriers can be removed
- Universities serve the students
- The participation of all in shaping the future of the academy
- Learning by doing
- Consolidating of gains and production of more change
- Anchoring of new approaches in the internal culture of the institutions

Strategic management and policy making

It can be safely stated that, throughout the higher education systems and institutions of the beneficiary countries/entities, there is a general awareness of the need for policy making and implementation and for institutional strategic management. The new policy documents that have emerged reflect both certain common past experiences and certain projections into the future which are being shaped clearly by the Bologna Declaration. However, the largest challenge here is that of simultaneously creating awareness of traditions that must be preserved and insight into the needs for change. Policy makers and academics often struggle to meet the dual aims of recognizing the value in current practices and the need, at the same time, to change practices.

HIGHER EDUCATION POLICY

Certain features of our participating countries/entities are revealed in their higher education policies.

- Higher education policy making bodies are located either in the ministries of education, or of research, science, and technology. Both locations have their own justifications, and we do not intend to argue about them, one way or the other. However, any higher education policy should be clearly linked to the development of the following issues: education, research, science, and

technology, thus having a wider area of concern and a larger variety of stakeholders.

- Policy making is not built on a reliable and valid set of data and information about the working of the system and the institutions. Despite their having been initiated, information and data systems are not yet available. References to standards and indicators are rarely made. This situation generates important problems, which should be urgently addressed.
- Policy implementation is far from having available real mechanisms and procedures, and the same holds true for policy monitoring and evaluation. Sometimes policy making is relegated to the programmes of political parties, and policy implementation plans do not exist in the field.
- While environmental factors, external to higher education (like emerging markets, political influence, or legal constraints), do change and act intensively, they are not thoroughly taken into consideration when designing new policies on higher education. Appropriations are often divorced from market mechanisms. Thus higher education institutions, which are public bodies, may not deal with issues of their effective and efficient functioning. Supervisory bodies often follow historical precedents of centralization or confuse policy issues with political influences, which generate too many institutional constraints and conflicts of interests.
- Higher education systems and institutions operate nationally, but they are increasingly subject to external competition, even in South East Europe. However, competitive models and incentives are not used, or they have little reference to policy making in the region.

STRATEGIC MANAGEMENT

A key to higher education institutional development is strategic management, a view held by many academics and university leaders in the region. The problem is that of moving from intentions or from a mentally adopted position to the factual reality of strategic management. In this respect, we should again mention the existence of a real gap between the level of available information and that of effective action. This gap is the result of many factors, both exogenous and endogenous, to higher education institutions. As exogenous factors, we may consider:

- Legal and traditional constraints that limit autonomy and flexibility, thus preventing institutions to conceive their own functioning and development independently.
- Political influences coming from different quarters and that are often contradictory, while public opinion, interest groups, lobbying and interventions by political leaders, parliamentarians and policy makers are also sources of political influence which generate disturbances in universities, having also in mind the fact that many key politicians are also academics.
- Setting the agenda for strategic change is subject to various interpretations of events and trends which are both national and international. the range of interpretations of the same event or trend may vary both in time and space, so that taking stock of a clear line of action is rather difficult.
- Higher education institutions are limited in number, from one to about eight or so, out of which one holds a key position, being invested with many qualities as symbols of national pride; it so happens then that many concerns cluster around single institutions, making it difficult to narrow concerns and to focus strategy.
- Too many ubiquitous stakeholders, mainly those with ranking positions, express their expectations and sometimes act as "owners" who impose their views on the ways activities should evolve in higher education

institutions, views which are usually related to well established traditions.

In order to cope with the effects of such "environmental constraints", higher education institutions must be prepared to negotiate when embarking on strategy elaboration. Unfortunately, their skills and readiness to negotiate are rather limited, being influenced by the ways internal processes are carried out. Let us then consider some of these endogenous factors affecting the processes of institutional strategic management:

- There are too many goals, and often these are both vague and conflicting at the university level. This in-built ambiguity makes it difficult to identify current and future directions which are so important for managing a university strategically.
- When institutional autonomy is granted to both universities and faculties (and it is limited mainly in financial terms), university leaders and administrators have a weaker power base and less authority to shape out a strategy and the institutional settings corresponding to it.
- For financial reasons, many academics are engaged in multiple employment, both in the same and in different universities. This situation makes it difficult not only to reach consensus on points of strategy but also to avoid latent conflicts of interest.
- Timing has a specific cultural meaning in the region, as some will contend, and it is clear that the sense of urgency in the university setting is far from being commonly understood. This sense of urgency is enhanced by the periodicity of elections and the political instability they engender. They interrupt strategic planning and give rise to inertia. Agendas are permanently changed, newcomers bring new ideas, peer reviews are being permanently demanded. Incorporating all of these in a normal flow of work requires time and considerable delays.

- Institutional incentives are more linked to individual performances and less to a better functioning of the university. Institutional fragmentation is so large and the actions of academics so centrifugal, that the elaboration of a university strategy is always postponed.

One may easily see that exogenous and endogenous factors reinforce each other, and delays in the elaboration of plans for strategic management are a natural result. When considering how the effects of the two categories of factors may be combined in order to generate a specific institutional strategy, we may distinguish between two approaches:

i) *The reactive approach* emphasizes either the passive posture with regard to local and international shifts of environment or the step-by-step actions which follow external changes.

ii) *The entrepreneurial approach* is focused on those changes which are based on the existing institutional strengths while putting forward new developments which show flexibility and rapid adaptation to environmental shifts.

The reactive approach seems to be dominant among the higher education institutions of the region. One way of concretizing it is when changes are brought about, one after the other, as successive reactions to external or internal pressures. Such changes are far from being consistent. Either they take different shapes in different faculties of the university, or they are scattered in time. The other way is that of avoiding any institutional change. Passivity and inertia generate a reactive approach which in fact reveals a lack of strategic development. The entrepreneurial approach presupposes the elaboration of a proper strategy of institutional development, which preserves the strengths and identifies those changes which make the institution more competitive.

RECOMMENDATIONS

It seems important to us that in our Programme we should put the emphasis on how to enable higher education institutions to construct entrepreneurial strategies in order for them to enhance their performances. For this reason, we expect the Programme to:

- Establish close links between policy making and institutional strategic development;
- Outline the necessary techniques for both processes, particularly to:
  - develop techniques for accessing and using information and data;
  - elaborate techniques for setting policy and strategic priorities;
  - identify techniques for elaborating policy documents and strategies.
- Develop institutional strategic plans in at least one university from each participating country/entity;
- Provide incentives for the participants to commit themselves to working on policy and strategy;
- Examine ways in which, using other resources, a regional post-graduate programme in higher education management could be developed to create a professional corpus of civil servants and university managers.

Quality Assurance and the Development of Study Programmes

Quality assurance in the higher education systems of the beneficiary countries and entities of our Programme is confronted with the need to identify a specific institutional configuration while keeping up with corresponding developments in the wider Europe. The specificity of South East Europe in this regard is induced by such factors as small higher education systems, post-war and transitional processes, scarcity if not lack of resources, and a dominating culture of academic complacency, having operated for a long time in a rather closed manner. No audit culture currently exists on which to ground appropriate policies. The quality of higher education is perceived by the majority of local academics as reflecting high standards, as being traditionally good, facts to be taken for granted, being based on general/historical/ cultural beliefs which do not require a special demonstration related to concrete measurement standards and criteria. Consequently, quality standards and criteria have never been

made explicit, even though they operate implicitly as a sort of hidden framework to be invoked only in a time of crisis. Quality assurance monitoring systems are evolving slowly in all these countries, but this evolution is occurring in the context of a weak, unstable institutional framework, featuring a visible lack of national competencies in developing, adapting, and implementing specific standards and instruments. Information, research, and practice on the use of quality assurance instruments (as much as they exist) are not used in systematic and efficient ways so as to provide concrete feedback to adjust curricula or educational policies. The lack of belief in the need to have concrete evaluation mechanisms, methodologies, and policies in the area complicates even more any national or international effort to support the development of such monitoring and evaluation systems.

When exploring developments in this field in the region, a distinction between *institutional quality assurance* and *subject- or programme-based quality evaluation* appears as important. The former should be thoroughly developed in each higher education institution having as references issues such as the following:

i) Establishment/consolidation of an office in charge of quality management;
ii) Clarification/decisions as to the purpose(s) of quality assurance; shifting the focus from inputs *(e.g.,* staff, resources, teaching, etc.) to outputs (*e.g.*, learning, competencies, etc.);
iii) Specification of the standards, criteria, and indicators for the internal evaluation of the quality of each degree awarded by the institutions in full compliance with their European corespondents;
iv) Clear statements of the procedures for managing the quality of degrees awarded by the institution.

In order to make concrete progress in these areas, there is an urgent need to establish, among educational decision-makers, a *sense of urgency* concerning the need for establishing quality assurance bodies, that are really

functional and for implementing institutional quality assessment procedures and policies. The problem is also one of developing a quality culture in higher education institutions, which is to be fully linked to the quality culture in the wider Europe and of being ready to participate in information and data sharing. The recent European trends of moving even further towards a conception of quality as improvement of learning outcomes, of accountability as implying the transformation of the learning paradigm, and the development of a reflective practice in those who teach and a critical ability to move beyond established parameters of thinking in those who learn, all reflect a new stage which should start taking roots in the higher education systems and institutions in the region. Thinking of institutional quality assurance in terms of "fitness for purpose" is, for the time being, challenging, but yet unfeasible in the region, owing to a lack of clearly stated purposes, and of objective strategies within higher education reform. Few universities have clear mission statements or publicly known development strategies. The objectives to be attained using quality assurance mechanisms remain therefore unclear.

In addition to institutional quality assurance, the need *for subject-based quality evaluation* holds a strategic position both in the country/entity approach to academic quality and in Europe as a whole. What is being referred to is the linking of each subject area, discipline, or profession, as is consecrated in a country/entity, to practices and standards existing elsewhere in Europe. When considering the size of the higher education systems in the region, one may easily dismiss any use of a nationally-driven peer review system. Even if such internal reviewing practices were accepted, a sufficient number of qualified national experts are in most cases not available to develop and/or to monitor the quality of higher education. There are also costs involved in monitoring the quality of the system of which the educational actors are not always aware and which are not reflected in the higher education budgets. While considering such trends and developments, one may

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envisage the possibility of initiating a network focused on subject/discipline/profession quality evaluation. Such a network might be initiated within the region and be easily linked to other emerging European networks. It might assume responsibility for sharing information on European quality standards and procedures and for establishing a pool of quality reviewers to be further used for evaluation purposes both within and outside the region. Most of all, the network would offer a chance to really *practice* quality evaluation as a reliable exercise of academic quality assurance and improvement. Higher education institutions should be made increasingly responsible for the quality of the subjects and disciplines they offer.

Quality assurance is, one way or the other, related to the accreditation and recognition of qualifications. While both have been partly addressed in the countries/entities of the region by taking as reference specific European developments, it also happens that certain barriers to their implementation are at work. For instance, qualifications awarded by certain higher education institutions are not recognized by others on grounds which are politically induced, having nothing to do with their real quality. Accreditation may be nationally awarded to a new institution or study programme on weak, vaguely stated, political grounds. Bodies or councils in charge of accreditation or recognition have been legally established. Sometimes they can also use some minimal equipment for communication, but they are far from being operational in terms of staff and practices. Recognition bodies (ENICs), where these exist, may function better, being part of the Council of Europe/UNESCO Network. In order to achieve accreditation objectives, the need to establish a regional network, to be strongly linked to envisaged European developments, should again be asserted. Such a network could act as a guiding *coalition* that could generate change, communicate change, and induce short-term achievements.

As far as course programmes are concerned, it is clear that their structure and contents have been revised and updated.

The most comprehensive changes have been in the social sciences and the humanities. The structure of qualifications varies from country to country, but there are also sufficient commonalities that allow for increased mobility. Some international efforts have been focusing directly on reshaping the curricula and their various programmes in these countries. Adapting the new curricula to both the needs of society *and* to European standards is another challenge both for national educational actors and decision-makers and for international project designers. A common credit transfer system for all courses in all universities, to facilitate student transfers and help ensure quality standards, is envisaged in all of these countries. Some of the countries have already started to implement such a system but need further support and motivation to fully accelerate the change. The European Credit Transfer System (ECTS) is going to be very much on the agenda in the years to come.

RECOMMENDATIONS

Quality holds a key position in any strategy to reform higher education in the countries of the region and is central to the Bologna Process. Moreover, governance and management should be so designed as to improve quality on a permanent basis. It is for these reasons that our Programme has quality as a key component and its activities should be so designed as to:

- *Build on the distinction between institutional quality assurance and programme or subject evaluation and offer appropriate solutions to each;*
- *Contribute to the development of a quality culture in the systems and institutions based on a culture of evidence with reference to:*
  - standards, criteria, and indicators, focused on outputs;
  - procedures and mechanisms;
  - participation of all teachers, students, and other stakeholders;
- *Provide incentives, according to needs, for initiating, consolidating, and developing structures and practices of academic quality management;*
- *Establish optimal links between overall policy-making and implementation in higher education funding and quality;*
- *Search for possibilities to establish networks focused on quality issues among higher education institutions and also among subjects/disciplines/professions;*
- *Insist on the European dimension of quality assurance and evaluation by providing links with all relevant European developments, while stressing the need for locally adapted models.*

Financial Management and Institutional Relationships with Civil Society

Financial management in the higher education systems of the beneficiary countries and entities of our Programme is confronted with the need to reinforce public funding for higher education from State budgets, while at the same time rapidly developing alternative sources of funding. Universities have to ensure that financial resources are used as effectively as possible in meeting the institutional goals and objectives. However, the freedom of action which universities have to ensure this is currently extremely limited.

There is no *legal basis* for the financial autonomy of universities. In most cases, the university does not have the legal possibility to make its own internal decisions regarding the allocation or re-allocation of funding. In many cases, the university does not even receive the funding, which transits directly to the faculties or institutes, which are themselves the legal entities. The university can often only freely decide on the use of funding which has been earned through private contractual sources. In most cases in the region, the proportion of such income in comparison to governmental income is very low.

The State budget is the main *source of funding*. Apart from resulting in overall low levels of funding, the lack of alternative financial sources also means that ministries can exercise considerable control over the internal life of the university. This control can be manipulated in highly political ways. There are no performance-based systems of criteria for the use of State budget funding. Institutions are funded in a fixed way, by taking as reference the number of teaching/research posts, a method that provides no incentive to improve quality procedures or outputs.

There is a general and chronic *under-funding of higher education* in the entire region. It is estimated that in most cases, between 80-90 percent of entire higher education budgets go on salaries alone. Even with this situation, the salary levels are far from competitive, and result in staff

maintaining several positions, sometimes within one institution, sometimes in several institutions in the same higher education system, sometimes also completely outside the education system. While this situation is logical from the individual perspective, this phenomenon effectively reduces the quality of the teaching and learning processes across the system, blocks the academic job market for younger entrants, and contributes to built-in resistance to any reform to encourage the rational use of human and financial resources.

Tuition fees systems are present in the entire region within the public sector, with in some cases 100 percent of students paying a fixed fee as a part-contribution towards the costs of tuition. More usually however, over 50 percent of students pay no tuition fees, these being covered by the State budget contribution, while the remaining students pay either partial or full tuition fees, depending on their academic grades at entrance. This procedure is one response to the shortage of income from State budgets. Students typically also pay many sorts of "fees" for standard services, such as for taking an examination, obtaining a certificate, etc. The procedures for such fees are not always completely clear or transparent. Private income is not spent under transparent regulations. Many projects represent a parallel source for survival for professors and faculties, and it is unclear whether institutions are even aware of the existence of these funds. It is difficult therefore to have any consequent evaluation of the results of such projects at the institutional level.

A percentage transfer ("overhead") of income earned through external contracts by individuals, departments, and faculties to the central university budget is not a standard feature in the region. Such a *system of overheads*, with clearly established rules and procedures, represents one way of ensuring that those using the institutional name, reputation, and resources, are also contributing to its financial resources. However, the generally poor state of the economies in the countries and entities of the region means that there is limited

scope for co-operation in any important financial way between universities and civil society.

Financial management is highly centralized in the entire region, and control lies more with the ministries of finance than with the ministries responsible for higher education. Budgets are for the most part calculated on the basis of inputs (numbers of positions) rather than outputs (numbers of graduates, learning outcomes and competencies), resulting in continuously increasing numbers of undergraduate students and little knowledge of what outputs the institution may be producing. Funding mechanisms are not based on a "following the student" formula or voucher system. This way of operating contributes to the lack of flexibility for students in transferring from one institution or faculty to another, and to the development of interdisciplinary study programmes.

The high concentration of budgetary resources on salaries also means that the academic infrastructure has gradually deteriorated over a long period of time, and few new investments have been possible. There are few financial evaluations of these investment needs. Such global financial evaluations would help establish the real needs and their implications for the future. Given the expected scale of real investment needed at both system and institutional level, a multi-annual strategy for ensuring basic investments will also be essential.

There are no specialized positions for financial managers within universities and faculties. Given the limited decision-making powers which have historically existed in this field, this lack is perhaps not surprising. However, a real reform of higher education financing will not be possible without such capacity within the institutions.

RECOMMENDATIONS

A new vision of the financial management at system and institutional level will be needed to ensure successful participation in the European Higher Education Area. Current capacities in this field are weak, at all levels. Our Programme could usefully contribute to the development of such capacities and an increased sense of accountability by promoting activities designed to:

- *Develop a vision of how financial responsibilities and management can be negotiated and shared between ministries and universities;*
- *Demonstrate the advantages of lump-sum funding on a contractual basis, with flexible mechanisms for the internal allocation and distribution of this funding to match university strategic objectives;*
- *Develop operational management information systems within universities, to inform university leaders and administrators responsible for the financial management of the institution and its accountability to society;*
- *Tackle the problem of serious under-investment, by facilitating the development of global financial evaluations to establish real investment needs and the implications of these for the future;*
- *Develop incentive systems to encourage entrepreneurial initiatives within the university, while at the same time ensuring that an overhead on external contract income is paid to the central university budget;*
- *Examine methods of developing a "voucher" system of funding for students.*

There are no clear systems of accountability in the entire region. The lack of financial autonomy means that the universities have limited responsibility for the use of funds. The very high percentages reserved for salaries also contribute to the lack of accountability, since there is little money left over for other types of expenditure. In some systems, state budgetary funding, still unused at the end of the year, must be returned to the ministry. Thus, is impossible to develop strategic reserves for new initiatives or discretionary funding to provide incentives. Functioning management information systems would however help promote both transparency and accountability in the field of financial management, by providing clear data on which financial decisions could be based, but by which financial decisions can also be judged. The current limited concept of financial accountability also restricts the institutional relationships with civil society.

From all the contacts we have had with academics, researchers, university managers, and administrators and policy makers during our trips in the countries/entities of the

region, we know very well that the value, importance, and potential for development of higher education are widely recognized. There is also a strong commitment of all those related to or involved in higher education to its radical improvement. Many are also willing to embrace change, assuming that there is less hope for improvement without inducing certain necessary changes. Our Programme stands a good chance of meeting such a commitment, despite certain challenges, indeed difficulties, lying ahead.

Part 1

The Report: From Words to Action: Changing Higher Education Governance and Management Structures and Functioning - An Approach

1.1. Looking Ahead *versus* Falling Behind

South East Europe in the post-Cold War period is confronted with many challenges and problems. Their variety is large. Pressures are being applied from different quarters. Messages are far from being convergent, and the need for consolidating the new order, be it political, economic, cultural, or social is growing. The newly emerged states, entities, and communities are searching for their identities and for the most appropriate ways of asserting them. International organizations like the United Nations and the European Union are putting forward policies for assisting the new processes of post-Cold-War reconciliation and development and are trying to conceive and to negotiate new foundations for the inclusion of the region into the European civil order.

When considering such developments from the perspective of higher education institutions, the questions are: What is and should be the role of universities? How are universities going to cope with the changes in their environments, and what are they expected to do in the newly emerging circumstances? Such questions and others of the same sort are first and foremost relevant for the design of new policies for higher education reform and development. At the same time, the relevance of the responses given to such questions, while making universities important factors of reconciliation and development, might exceed the limits of the academic world.

What follows is an attempt to view the prospective reforms and developments in higher education in South East Europe

from the perspective of possible and eventually probable options.

A FEW ASSUMPTIONS

When attempting to reform any higher education systems or institutions, the issues of concern are not simply those of introducing changes for the sake of making changes, but rather of reaching certain targets or of achieving certain levels of performance. The initial question of any higher education reform programme should then be: Why do certain universities perform better than others, and how does one account for the varying performances of universities? It is only after answering such questions that one can properly attempt to opt for those changes which would optimize university performances.

Nobody questions the assertion that the performances of universities, be they in regard to teaching, scholarship, or research, vary both within and among countries or within and among regions. If one considers any country in the world having its own system of higher education institutions, one knows very well that academics, students, and all other stakeholders assume implicitly the existence of hierarchies of universities classed in terms of performance. Academic performance may be evaluated in terms of teaching and/or research outcomes that are subject to internal and external comparison according to certain criteria and values. In addition to various implicit hierarchies, evaluation methodologies of different sorts are put to work as in countries like, for instance, the United States of America or the United Kingdom, with the explicit intention to generate hierarchies of universities and of their components in terms of teaching and of research performances.

Implicit or explicit hierarchies of academic performance are linked to universities and higher education systems within and across the countries. When considering the more recent growing globalization of higher education, academic performance and its generating factors are placed not only in a wider framework, but are also considered for the purposes of

policy design and implementation, for making higher education more competitive. The Bologna Declaration, adopted in July 1999 by the European Ministers of Education, mentions explicitly the need for European universities to become more competitive worldwide: "We must in particular look at the objective of increasing the international competitiveness of the European system of higher education. The vitality and efficiency of any civilization can be measured by the appeal that its culture has for other countries. We need to ensure that the European higher education system acquires a world-wide degree of attraction equal to our extraordinary cultural and scientific traditions."

Globalization thus reflects new processes of global competitiveness between universities and also between higher education systems of various markets like, for instance, those of the United States, the European Union, or the East Asian nations.

For any university, these new trends present a radical challenge. Universities are still considered by many as "national symbols", expected to actively promote national culture and history. In the newly established states and entities of South East Europe, universities are called upon to enhance their contributions to the promotion of the newly emerging identities and are thus being locked into national contexts. Small groups of local élites are often closely linked both to higher education and to national politics. As a result, although the universities may be confronted with the new currents of globalization, their performances may however once again not live up to these new trends of higher education development.

However, instead of looking into the more or less distant future, it would be better to seek some explanation regarding the different levels of performance of universities. Most if not all of the available explanations are of a deterministic type, invoking various predictable factors. Some of these may be related to the available human and material resources. Others may refer to the existing traditions, to the dominant academic

ethos that sometimes are overly focused on authority and reproduction, while elsewhere they may be more open to innovation, knowledge production, and collegiality. The number of performance-generating factors may be multiplied and the factors combined in various ways, thus explaining the variability of performances. However, the real issue is not so much related to the factors as to the explanatory model that includes them.

A deterministic model relates one set of factors or predictors with some given performances and assumes a linear generating relationship: thus, if factor *A*, then performance *B*. But academic performances follow a non-deterministic nonlinear path of development. Linear deterministic models are not appropriate for explaining nonlinear developments that are typical of such complex systems as higher education institutions. One may rather consider other alternative explanatory models like, for instance, those provided by institutional theory.[1] According to it, the differential performances of economic, political, or educational systems or organizations over time is fundamentally influenced by the way given institutions evolve. Institutions are "rules of the game", that is, formal or informal constraints that shape human interaction, reduce uncertainty, and provide a structure to everyday life. While formal rules are instituted as a result of political or judicial decisions, informal constraints are embodied in customs, traditions, and various codes of conduct. Their combination shapes a path of development and a direction of change that is historically constituted and cannot be transformed overnight.

Taking any university as an organization, its changes and developments follow, independently of its financial situation, a distinctive path which is dependent on the larger environment in which it functions while also reflecting its own logic in

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[1] S. Brint, and J. Karabel, "Institutional Origins and Transformations: The Case of American Community Colleges", *in*, W. W. Powell and P. J. DiMaggio, eds., *The New Institutionalism in Organizational Analysis* (Chicago: The University of Chicago Press, 1991), pp. 337-360.

pursuing specific interests and objectives. In this endeavour, a crucial role is played by university leaders and managers with their individual interests, beliefs, and activities, since they are the ones who set organizational policies and devise strategies for promoting institutional change and development.

The problem here is not just one of technical efficiency and performance, but also one that refers to the life of the university as such, particularly its institutional culture. While any university in South East Europe is embedded in a cultural, national, and/or community context, it also has a logic of its own which is and should be open to the larger regional, European, and global contexts of the academic world.

A question raised by Peter Scott should be invoked at this point: "Will the university remain imprisoned in its national context or, at any rate, in an international context rooted in a declining world order of nation states, and perhaps be superseded by more fleet-footed globally-based "knowledge" institutions; or will it be able to escape from these constraints and reinvent itself (and, even if successfully accomplished, what precisely would that mean)?"[2] Such a question is highly relevant for any university, wherever it may be located, including those that belong to South East Europe confronted as it is with the newly emerging cultural and national identities. On one hand, the universities of South East Europe are relatively autonomous spaces in which knowledge production and transmission are protected from the contradictory games of politics and marked for the promotion of forms of free thinking and critical learning. On the other hand, they cannot fully escape from the ideological currents of, let us say, nationalism, or from the pressures of the globalization of higher education in our period of post-industrialism, post-modernism, or post-Fordism. How the universities of South East Europe balance these trends is a true challenge with which they must cope.

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[2] P. Scott, "Massification, Internationalization and Globalization", *in*, P. Scott, ed., *The Globalization of Higher Education*, (London: SRHE and Open University Press, 1998), p. 128.

When compared with universities of other European countries, particularly with those of the European Union, the universities of South East Europe are clearly faced with challenges of a double nature. First, there are the challenges of the present and the future, like massification, globalization, and many of the same sorts of problems that are confronting universities all over the world. Second, there are challenges specific to the transition countries of Central and Eastern Europe, including those of South East Europe, faced as they are with economic, political, cultural, and social transformations. Third, one might also add to the list the challenges emerging from the history of the region, including the difficult recent period, and the legitimate desire of institutions to develop independently from previous imposed models, and to play a role in the aspirations and establishment of new nation-states. All of the above however contribute, as elsewhere in Europe, to the need for the reform of universities and higher education systems in South East Europe, for the introduction of new types of models, and for the connection of institutions to the wider European higher education area.

When conceiving and implementing changes in higher education in South East Europe, one may work them out from the perspective of the following assumptions:

- catching up *versus* being part of a wider enterprise of reorienting higher education in Europe;
- short-term *versus* long/medium-term perspectives of change;
- reactive *versus* proactive changes;
- change from inside *versus* change from outside;
- top-down *versus* bottom-up change;
- imposed *versus* self-generating change.

These assumptions are all obviously formulated in a binary opposing form, thus introducing a certain simplicity in the approach, but also clarifying the orientations of certain options. The purpose of such formulations is to question the degree of awareness for change and the readiness of actors to promote change-inducing actions. For anyone familiar with

higher education in South East Europe, it is clear that the degree of *awareness for change* stands high among academics and university stakeholders. When considering concrete *actions for change*, the variety of initiatives and options is even higher. They originate both within and outside higher education and result from cultural, political, and ideological frameworks that are not necessarily consistent but emotionally strong and appealing. It is then not surprising to see that either conflicts of interests dominate the stage and induce an endless postponement of real actions for change or that changing the already introduced changes is a way of action that brings higher education into a clear state of instability, imbalance, and disorientation.

Two examples can be selected to illustrate such a situation, taking the assumptions mentioned above into account. The first one refers to catching up *versus* being part of a wider enterprise to reorient higher education in Europe, and the second, to the implications of various types of change with regard to the very idea of the university.

CATCHING UP *VERSUS* BEING PART OF A WIDER REFORM AREA

One way or another, higher education systems and institutions all over Europe are faced with the challenge of reforming themselves. However, some of the reform issues are common to all European higher education systems; others are specific. By many accounts, specificity looms larger than commonality, although the contents of the Bologna Declaration now provide a European reference framework for higher education reforms that are expected to strengthen convergencies, compatibilities, and harmonization trends.

When considering the specificity of higher education in South East Europe, many observers in this region would adopt the view of their colleagues from Western Europe that underdevelopment is the striking feature of the universities of South East Europe. This underdevelopment is said to express itself in various ways. First, in terms of the production,

transmission, and reproduction of academic knowledge, the universities of South East Europe are confronted with important gaps. When compared with the universities of the West, knowledge production in South East Europe would be viewed as lagging behind in terms of the number of internationally known publications produced and the number of quotations mentioned in international citation indices. The means and ways of knowledge transmissions in higher education also fail to reveal a better situation when one, for instance, considers the libraries and the documentation centers existing in South East Europe or the availability of the new information technologies.

First, it might be the case, as some would argue, that if only knowledge reproduction is stressed in universities, it is because of widely based traditional models of authority, which clearly block most of the creative impulses of students. Second, the state of underdevelopment might be revealed by the dominant drive of the universities of South East Europe to be identified with locally-oriented and relatively small communities, affected by economies of penury, and by paternalistic relationships, when most universities nowadays are opening themselves up to wider regional and transnational co-operation networks. The universities of South East Europe seem to have fewer incentives to innovate, for they are induced to express a rhetoric of change while being committed to an endemic conservatism that was well-cultivated by the political cultures and social systems that prevailed before 1990. This conservatism may be linked to the local élites who are happy to maintain self-serving systems, of which higher education is an important part. Third, the balance within universities between faculties, schools, or departments and central organizational administration, and the relationship between research and teaching are all very much on the agenda of change but without necessarily leading to real changes. Both research and teaching performances are still declining, while the organizational consolidation of universities, as coherent and

consistent systems and not as federations of autonomous faculties, is being constantly postponed.

The thesis of the under-development of education in South East Europe may also be expressed in terms of the existing information gaps regarding the attributes of contemporary higher education. Traditionally academics are keen to keep up with scientific developments in their own fields that can be highly specialized. They are typically less keen on keeping up with information on their own faculties and on higher education development in general.

Consequently, when participating in the making of decisions on organizational changes, their lack of systematic and reliable information can find a substitute in anecdotal and idiosyncratic information. The application of policies resulting from such an approach is then bound to be of poor quality, thus increasing the information gap regarding the existing or envisaged attributes of higher education.

Admitting the existence of certain gaps in academic knowledge that are activated in universities and in regard to information on the attributes of higher education, two questions become important:

- Will the universities of South East Europe be able to bridge the gap towards inclusion in a common European higher education area or will they continue to fall behind?
- How can the short-term support provided by the European academic community be translated into long-term sustainability?

Before referring to such questions, it is necessary to go back to the arguments referring to previous underdevelopment. What is crucially implicit in this demonstration is that the typical situation of higher education in South East Europe has been and still is somewhat "detached" from the developments affecting the rest of European higher education.

By all accounts, this implicit argument, which in fact generates other explicit ones, should be dismissed. The universities of South East Europe are, and by their very nature, have always been parts of the European university

family. Historically, they have evolved in line with the institutional developments of universities in the West, and cross-border contacts have never ceased. One can hardly argue for the existence of a single European trajectory of university development that would turn itself into a "norm" against which changes might be assessed. Universities, as "universals" and "locals", serve their closed environments while remaining open to the wider academic community. Even if the universities of South East Europe have fallen behind in certain well-circumscribed respects, their reactions now should not be of a "catching-up" type. The implication of a catching-up approach would be that of consolidating second-class universities which would always lag behind when being invited to catch-up. Such a pattern would come naturally. For instance, if one considered as reform targets for Universities of South East Europe a set of normative demands for a given period of implementation time by considering the present state of Western European universities. In the meantime, the universities of South East Europe would have moved towards the targets, while the Western universities would be continuing their own further development. A new gap would emerge that would demand a new catching-up strategy. While the universities of South East Europe in such a scenario would always be lagging behind and having to catch-up, Western higher education would be undergoing an organic type of development.

The "catching-up" approach should therefore be replaced by a convergent and concomitant development of South East Europe and Western universities. The agenda of change would line up with that of the West, this being the only way for them to be fully included in the common European higher education area. The challenges facing higher education in South East Europe are then not those of catching-up with higher education in Western Europe, but those of being part of the wider enterprise of reorienting the whole of European higher education.

The Bologna Declaration provides such a framework, and the universities of South East Europe should take full account of its provisions, doing so being the best chance of making changes part of a long term sustainability. The short-term support provided by the European academic community, let us say within the TEMPUS programme, should be framed by such an approach, avoiding any compliance with reparatory short-sighted measures, focused on local, sectional, or selfish academic demands. There is, however, one exception to this overall approach, and it refers to the building of a new society based on the reality of small new States in South East Europe, with an increased need for cross-border co-operation and exchange to ensure functional neighbourly relations and compatible development. The post-war situation is very much affected by the memories of conflicts as well as the new demands to assert cultural identities in multi-ethnic communities. The public service of the university, mainly with regard to its involvement in the development of civil society, acquires a more pro-active role.

Potentially, the universities of South East Europe stand a good chance of acting as laboratories for radical innovations, not only in knowledge production and distribution, but also in the development of civil society. For this change to occur, the reconstruction of the idea of the university in South East Europe should be placed on the agenda.

RECONSTRUCTING THE IDEA OF THE UNIVERSITY

First and foremost, the need for the reconstruction of the idea of the university in South East Europe stems from the current conception of the university as an association/federation of autonomous faculties/schools/departments. Pushed to an extreme, each faculty presents itself as a highly specialized "university", having its own staff, rules, and curriculum, while maintaining only very loose relations with other faculties under the umbrella of a university deprived of any real institutional power.

Given such circumstances, it is easy to perceive/ understand the lack of communication among disciplines, the closing of specialized minds, the parallel tracks of evolution, and the multiplicity of disciplinary sectional interests and identities. In addition, community fragmentation is associated with various sorts of academic diversification. New higher education units and complete institutions have been established along these lines, breaking most if not all the links which may have existed prior to 1989.

In the newly established political structures, democratic representation allows academics to have a large share of power. In positions of power they hold an upper hand in institutions to which they originally were only marginally connected. The relationships among political offices do not necessarily share a common agenda so as to be focused on common interests and trajectories of development. The remaining academics *per se* live and work mainly in universities and perceive their world from the perspective of the institutional dynamics that are configured there, even though they also look carefully at the contradictory events of the environment.

Former academics, who have turned themselves into politicians, keep up with their new interests and agendas as politicians while imposing them on the universities. After all, their decision-making powers enable them to keep an upper hand over faculties and universities on such important matters as legislation and funding. What comes out is a double policy track, one heavily loaded with political matters, related mainly to national and local identities, while the other is focused on current academic affairs. The two tracks meet each other very rarely, and universities increasingly appear to be divided between two worlds. What suffers most is the very identity of the university and its potential use for open debate and analysis of problems of community development. In addition, being too heavily focused on locally entrenched development, the universities of South East Europe are faced with the risk of not taking due consideration of the current trends of

Europeanization and globalization of the academic world. When the traditional Humbolditian, Napoleonic, or Anglo-Saxon models of the university are under review everywhere, regarding their capacity to cope with the trends of massification and globalization, in many cases it could be said that those in South East Europe are looking too much into the past for inspiration to cope with present realities and new developments.

It is indeed true that the universities of South East Europe are proving to be increasingly local institutions, being committed to paying more attention to local students in a geographical sense, that is, to their own constituencies who are ethnically and culturally less heterogeneous, and politically and economically better connected to the newly established communities. However, local pressures are clearly complemented by international and global trends, and the universities of South East Europe should learn to cope with this facet of reality as well.

One area that reveals this combination is the old tradition that universities have as a major task the training of élites. While the rate of participation in higher education has recently been expanding very rapidly, giving rise to mass systems, the universities still retain their older strains of elitism, of excellence, and thus of the exclusion of certain applicants for university diplomas. While being mass oriented in scale and structures, the universities of South East Europe often remain élitist in their values and approaches. This stance generates a tension that reveals itself in the ways universities function and manage their affairs. Moving beyond this tension requires them to reach out to diverse communities of current and potential learners, to appreciate the relevance of the newly emerging synergies linking the economy, identity and culture, and knowledge and society. It also means that universities should seek new managerial and governing models that require new structures and mechanisms, the professionalization of managers, and reliance on a new group of administrators.

Much of the emphasis in university governance and management has been placed on the restoration and conservation of institutional autonomy and academic freedom. And these are, by all accounts, very important issues in South East Europe, particularly when one considers the legacies of the recent past. However, certain consequences of this emphasis cannot be overlooked. First, faculties and schools have traditionally been separate legal entities, funded directly or indirectly by the state, enjoying full autonomy within the university, thus removing any decision-making power from the university *per se*. Second, almost all managerial activities are carried out by academics, leaving to administrators only routine types of actions without clear responsibilities. The distinction between academic management and administration is not operational, thus bearing on the quality of the institutional functioning of universities. Accountability has roots in the institution, and academic leadership is yet to be discovered in autonomous institutions. A way out of the dominant amateurish practices of university management should be rapidly discovered thus putting in place the grounds for new managerial techniques. The reconstruction of the idea of the university calls out for appropriate changes in the relationships between universities and faculties or schools, in the organization and development of curricula, and in institutional management and administration.

Facing so many challenges, universities should not only become aware of the needs for change, but should also act for introducing change. Three levels of action are interrelated. The first is the policy design, meant to generate an overall framework of options and actions. Without a thorough analysis of the current state of affairs, and in view of the past legacies and of a future vision, one can hardly expect change to be envisaged otherwise but chaotically. On the basis of the consensually accepted policy options, the second level of introducing an appropriate legislation comes into action. Finally, implementing activities are planned and carried out, while the evaluation of outcomes may provide data and

information on shortcomings and achievements in the process of reform development. All these cannot be viewed as separate from the social and economic environments in which universities function, be these environments local, national, or European. Universities face the double challenge of changing themselves while also contributing to bringing about changes in their environments.

1.2. Trends and Developments

Before referring to the issues specific to our programme's fields of concern – strategic management, funding, and quality assurance – let us consider some basic information regarding the overall state of the higher education systems and institutions in the participating countries/entities.

DIVERSITY AND COMMONALITY

The higher education systems and institutions of the countries/entities involved in the project reveal certain levels of both diversity and commonality. The commonalities have their origin, first of all, in the challenges higher education is confronted with in this period of transition to a market economy, liberal democracy, and a knowledge-based society. They also have origins in specific configurations of academic cultural traditions and in the existing institutional structures. For instance, there is a clear distinction, indeed a separation, between university and non-university higher education, with the former having a high intellectual and academic prestige and the latter a vocational orientation serving the world of work. In many cases, universities are federations of independent faculties, each with its own administration and also with systems of specialized knowledge production and transmission which allow for very few possibilities of lateral communication. The university as such is nothing more than an "umbrella" which covers separate entities – faculties with their own worlds and ways of functioning. Also, so far as commonalities are concerned, one may also mention the predominantly small size of higher education systems, which vary from one university to

about eight, out of which only one or, at the most, three or so, might have well-established traditions. In such smaller higher education systems, it is only natural that everybody will know everybody, a reality that bears on any managerial structure and functioning.

Despite certain recent attempts to introduce credit systems, the duration of studies is expressed in years, with a sizeable proportion of students being enrolled for a much longer duration than the prescribed standard period. This situation is mainly true for the Bachelor's type of degree programme which has a duration of four to six years, depending on the subject matter. In addition to traditional Bachelor's and Doctoral types of degrees, certain universities have also introduced an intermediary Master's Degree. Such a development is linked to the provisions of the Bologna Declaration, which have recently become the dominant reference framework. (We shall come back to this matter further on in this document).

When referring to diversity, a distinction should be made between "real" diversity, which is less obvious in academic terms, and "invoked" diversity, which is associated with the national and linguistic identities to be asserted by higher education institutions. One, however, is often referred to a large diversity of institutions in terms of their performances in research and teaching, in the quality of staff and students, and in the availability of teaching resources. In this respect, more often than not, one particular university, usually located in the capital city, is considered as having the highest performances, both in teaching and research, fully compatible with those of its Western European sisters. Other universities and higher education institutions, usually younger ones, are viewed as serving local communities, thus being parochial and with smaller chances of asserting themselves internationally. The problem with this perceived diversity is not the hierarchy as such, but rather its consequences in terms of resource distribution in the system and mainly with regard to any new initiatives or innovations. All well established universities, with higher performances, seem to be reluctant to introduce new

developments in their managerial structures in order to cope better with the changes in their political, economic, and cultural environments. Academic changes are difficult to bring about in the younger universities, when the reference framework is provided only by the traditional ones. The less prestigious institutions are viewed or consider themselves as followers or mere copiers of the key universities. However, a timid transformation is taking place by substituting the local framework with the one provided by the Bologna Declaration, which is seen more and more as offering new openings. The consequences of this substitution are difficult to evaluate at this stage, since we are only at the beginning of a process. They are, however, worth monitoring closely.

According to the Nineteenth Century traditions, universities are very much considered as national symbols or as nation-building institutions. Therefore, they are highly protected in terms of values which are to be transmitted and reproduced. Politicians would consider their interference in the working of higher education institutions, even with the risks of limiting autonomy and academic freedoms, as "normal" in terms of promoting their own understanding of national values. Such actions also bear on the ways of establishing the relationships between ministerial (governmental) bodies and higher education institutions. For instance, centralization in funding and strong hierarchical control are only two of the consequences of this type of relationship.

HIGHER EDUCATION REFORM

The most important concern of both academics and policy makers in all our countries/entities is higher education reform. While a certain variation in the issues of concern may be identified, there can be no doubt that the reform process is very much focused on two categories of issues. On the one hand, all government reform strategies emphasize governance and management issues related to funding, quality assurance, accreditation, information system development, and student assessment. References are made both to new institutional

(managerial) structures and to their efficient functioning. On the other hand, the internal academic emphasis is being placed on academic priorities: development of new study programmes and restructuring of existing ones, the introduction of credit systems and of modular structures in new curricular designs, staff and student mobility, etc. However, the optimal way of linking these two categories of reform issues is still a problem for the management of change. Sometimes they evolve independently of each other, being considered as belonging to two different worlds. Quite a large proportion of academics have not yet become aware of the need to participate actively in the shaping of both managerial and academic change and to link these types of change together. One reason for this lack of awareness may be in the trend to borrow models from other settings without thoroughly reflecting on all their implications and of the need to adopt them to the specificity of the local academic culture. At other times, various organizations and donors, which have provided financial support and technical assistance, have been unable to closely coordinate their activities. From this perspective, it is crucial for our programme to take stock of the outcomes of projects which have already been implemented and to assure an appropriate synergy with those projects which are currently being implemented, particularly with EC TEMPUS and World Bank initiatives, but also with those implemented by other organizations such as OECD, the Council of Europe, the German, French, Swiss, Norwegian, Japanese, and British Governments, and the Open Society Foundations.

LEGISLATION

The legislative process very much reflects the stages of higher education and societal development since 1990. A number of new juridical entities have been created, implying the need for a completely new legislation. In most of the countries/entities involved in this programme, new laws on higher education were adopted immediately after 1990. New laws were again adopted in the second half of the 1990s, following the events and

processes of the previous decade (*e.g.*, war, political changes, economic transition, increased internationalization, etc.). The most important change brought about by the legislation of the early 1990s referred to university autonomy and academic freedom, considered both as key academic values and as opening new ways for the management of higher education institutions. The present period is yet again dominated by the adoption of new laws on higher education. At this new stage, the basic trends are the following:

i) The provisions of the Bologna Declaration are considered as stipulating both the basic values and the most important options for assuring the development of higher education systems and institutions of a kind which would enable them to become part of the European Higher Education Area. To join the Bologna Process, it is considered important to promote legislation which includes all the values and options of the Bologna Declaration. Mention should be made of the fact that no country/entity included in our Programme signed the Bologna Declaration at the original Bologna conference, in 1999. Since then, Croatia officially joined the Bologna Process during the Prague conference in 2001, and Montenegro and Serbia are now invited as observers to the meetings leading up to the Berlin conference of 2003. Even so, few countries/entities in our Programme have opened a wide discussion focused on the values and options implicit in the Bologna Declaration. However, by taking it as a common European reference framework, they have focused on the same range of policy issues and academic options within the Bologna Declaration and have thus increased the scope for regional co-operation.

ii) The newly envisaged laws are not necessarily based on a thorough assessment of the state of affairs in higher education or on a clearly stated strategy of its development. Many of the countries/entities in our programme have no such official strategy. More frequently than not, the general assumption seems to be

that a "good law" would provide both new openings and opportunities for the development of higher education. The problem is that the notion of a "good law" is far from being the object of a consensus, being located in the realm of desirability. A *law* would appear as the *solution* to almost all problems affecting higher education. But in order for a law to become a solution, it would have to reconcile all the solutions which are put forward by academics, policy makers, and legislators. And these solutions are far from being easily reconciled. The immediate consequence is that almost each legal provision is transformed after battles among legislators, policy makers, and academics, be it with regard to university autonomy, structure of studies and qualifications, curriculum design, funding, or quality assurance. On the other hand, we might witness an over-emphasis on legislation, exhibited by the multiplication of laws or of legal provisions that refer to each and every specific academic matter. When this situation prevails, the legislative process, instead of opening new paths to future development, stands a good chance of blocking new initiatives.

iii) University autonomy is considered by most academics as a key value, which should be well protected legally, while politicians feel more attracted by the idea of the university as a national symbol and as an institution strongly and actively participating in the promotion of national values. We may observe in these approaches a gap between the meanings attached to the same value, the result being that autonomy is kept very much on the agenda. However, the essential link between autonomy on one hand, and responsibility and accountability on the other, is rarely mentioned. Whatever the legal basis may be, each participant or stakeholder will work out his or her understanding of university autonomy. This diversity is mostly due to the fact that law enforcement in such a situation is not institutionally grounded. The legal

provisions are not followed up thoroughly with institutional capacity building for their consistent application and for the clear evaluation of the derived outputs.

Our Programme will cover a period in which the legislative process for higher education is likely to be very dynamic. This dynamism may provide opportunities for certain actions, but it may also generate constraints which are now difficult to anticipate. It is hoped that the Programme can also help examine issues which future legislation may need to address.

STAFF SHORTAGE AND THE EXPANSION OF STUDENT NUMBERS

Almost every year one may observe, in all the higher education systems and institutions across the region, a steady increase in the numbers of students coupled with a shortage of staff. The increase in student numbers is partly due to a natural growth in participation rates in higher education, in systems where such rates were traditionally significantly lower than in Western Europe. In some cases, it is also clearly a result of the lack of a developed labour market, and a low graduation rate, resulting in higher education institutions being used as medium-term human "car parks" for young people somewhere between school and work.

Owing to the rigours of war and to other factors, many highly qualified staff have left their countries or institutions, and some have not yet returned. Young graduates prefer to opt for careers outside universities or research institutes in order to earn higher salaries than what their institutions offer and to have better prospects for personal development. In such circumstances, one may be concerned about the quality of higher education teaching and research and the future prospects of university development. The reduced number of policy makers and of managerial and administrative staff also show a degree of instability. Most Ministries responsible for higher education also suffer from a severe shortage of manpower to see through long-term reform programmes. Such

a situation may bear heavily on the outputs of our programme, in the sense that each planned activity may address different persons perpetuating a sort of repeated start from scratch.

INFRASTRUCTURE

In terms of premises, laboratory equipment, documentation, and training facilities, infrastructure is either outdated or in a state that is badly affected by war or by lack of investments. Sources of investment are rather scarce, and in some cases, what is offered comes mostly from international donors. Poor economic performance offers no promising prospects for future development.

A GAP BETWEEN KNOWLEDGE AND ACTION

Most of the university leaders and higher education policy makers demonstrate a thorough knowledge of European trends and developments in the governance and management of higher education. Various assistance programmes initiated and implemented by both Western European national governments and by international organizations have helped very much in rich knowledge acquisition and availability. However, there is a considerable gap between available knowledge and concrete actions. This gap may be explained in different ways. On the one hand, most of the knowledge was provided through seminars, workshops, or conferences, thus focusing mainly on the availability of knowledge, and less so on its application. On the other hand, the informal institutions and the old dominant organizational culture are well in place, not yet having been shaken or changed, thus systematically ruling the academic world. Actions are permanently postponed, while highly politicized discussions seem to run on for ever. Whatever the initiative may be, even when it has been shaped out institutionally, it stands a good chance of being submerged, before it can take root. For instance, a council on quality assurance and accreditation may have been established, but it has not yet started to fulfill its mission. Breaks or barriers may be real or symbolic, but they are permanently present and

perceived as acting against any effective and efficient constructive action. One may more frequently listen to discussions about the difficulties of acting rather than how actions can be taken to eliminate difficulties, in order to achieve something substantial. In such circumstances, our programme activities should be as concrete as possible, focused more on actions and less on discussions about eventual measures or actions to be initiated.

The governance and management of higher education are mostly affected by strong focus on the political agenda (almost everything being politicized), a lack of leadership, and a scarcity of managerial and administrative staff. The few qualified and motivated staff in the Ministries are entrusted with a huge workload and are constantly handicapped by political considerations. Academic leaders seem to prefer assuming administrative functions in the universities, in addition to their teaching and research roles. Such a heavy load of tasks ends up by giving the impression that universities are neither properly managed nor well served by administrators. Accountability is a non-existing concept or practice, since autonomy is considered to be the sign of the full independence of the corporate body of academics within their own organization. Of course, nobody worries about the corruption that may have penetrated into the world of academe (students offering "emoluments" to pass examinations, academic degrees and titles awarded in dubious circumstances, etc.).

We have, so far, identified only major trends which are expected to have direct consequences on the development and implementation of our Programme activities. When considering such background information, the key options for the future work within our Programme should be based on the following principles:

- From words to action
- Barriers can be removed
- Universities serve the students
- The participation of all in shaping the future of the academy
- Learning by doing
- Consolidation of gains and production of more change
- Anchoring of new approaches in the internal culture of the institution

1.3. Strategic Management and Policy Making

It can be safely stated that, throughout the higher education systems and institutions of the beneficiary countries/entities, there is a general awareness of the need for policy making and implementation and for institutional strategic management. Various organizations and donors have provided financial assistance and technical support to the elaboration of reforms and development strategies. Mention should be made here of the World Bank loans, OECD thematic reviews of national policies for education, EC TEMPUS, PHARE, and other specific projects, and UNESCO and Council of Europe projects focused on specific issues like legislation, university autonomy, academic freedom, and recognition of qualifications. Donations have also been made by the national governments of Germany, France, Switzerland, Norway, and Japan, as well as by foundations like the Open Society Foundation, effectively contributing to the development of higher education systems and institutions.

The need for new approaches and new contents for policy making and strategic management has been generated by political, economic, and cultural factors that have been at work for a longer or shorter period over the last decade. The new policy documents that have emerged reflect both certain common past experiences and certain projections into the future which are being shaped clearly by the Bologna Declaration. However, the biggest challenge here is that of simultaneously creating awareness of traditions that must be preserved and insight into needs for change. Policy makers and academics often struggle to meet the dual aims of

recognizing the value in current practices and the need, at the same time, to change practices.

The dilemma of preservation and transition runs through all policy documents and strategies and also takes various forms. For instance, there is a multitude of policy papers, without any one document being well known or being supported by a majority. Such papers are sometimes considered as mere responses to external pressures. They rarely display a sense of ownership and commitment to implementation. They rely on models which are either merely borrowed from elsewhere, taking for granted their specific roots and working environments, or distorted in order to better fit specific local circumstances. There may be an over emphasis on discursive aspects coupled with lethargy and considerable inertia in terms of concrete implementation. Threats and the need for coordinated actions are ignored while ideal models for a nonexistent world of application are put forward.

An important distinction that should be made, in order to better focus our Programme activities, is between policy making/implementation and strategic management. While we consider the former as the function of governmental/ ministerial bodies, in consultation with higher education and other relevant stakeholders, the latter should be so designed as to comply with specific policy provisions and outline an institutional way of development.

Higher education policy reveals certain features in our participating countries/entities:

- Policy-making central bodies are frequently located in the ministries of education, thus implicitly putting the emphasis on the links between higher education and other educational levels. In other instances, higher education policy is separated from education as a whole, being related to research, science, and technology. Both locations have their own justifications, and we do not intend to argue about them. However, any higher education policy should be clearly linked to the development of all of these: education, research, science,

and technology, thus having a wider area of concern and a larger variety of stakeholders. Higher education is also expected to contribute to both economic and social development, including civil society and democratic institutions, and as such its institutions should play an active social and entrepreneurial role. From such a perspective, higher education policy is strongly related to and depends heavily on other sectoral policies.

- Policy-making is not built on a reliable and valid set of data and information about the working of the system and the institutions. Despite their having been initiated, information and data systems are generally not yet available. References to standards and indicators are rarely made. This situation generates important problems, which should be urgently addressed.
- Policy implementation is in great need of real mechanisms and procedures, and the same holds true of policy monitoring and evaluation. Sometimes policy making is relegated to the programmes of political parties, and policy implementation plans do not exist in the field.
- While environmental factors, external to higher education (like emerging markets, political influence or legal constraints), do change and act intensively, they are not thoroughly taken into consideration when designing new policies on higher education. Appropriations are often divorced from market mechanisms. Thus higher education institutions, which are public bodies, may not deal with issues of their effective and efficient functioning. Supervisory bodies often follow historical precedents of centralization or confuse policy issues with political influences, which generate too many institutional constraints and conflicts of interests.
- Higher education systems and institutions operate nationally, but they are increasingly subject to external competition. So far, this external competition has had

limited effect in South East Europe, except that the most competent and the most affluent students have often already left the region. However, competitive models and incentives are not used or they have little reference in policy-making in the region.

One can also identify a whole range of shortcomings in the process of policy making as well as in the realm of policy implementation and evaluation. While recognizing these shortcomings, we are also concerned with the need to identify the most appropriate ways to face the challenges in the processes of implementing our Programme. In this respect, our intention is to address specific issues related to higher education policy-making, policy implementation, and evaluation in such a way as to stress the need for understanding the whole process with all its components.

Many people would agree with the statement that *strategic management* is a key to higher education institutional development. Many academics and university leaders in the region hold such a view. The problem is that of moving from intentions or from a mentally adopted position to the factual reality of strategic management. In this respect, we should again mention the existence of a real gap between the level of available information and that of effective action. This gap is the result of many factors, both exogenous and endogenous to higher education institutions. As exogenous factors we may consider:

- Legal and traditional constraints that limit autonomy and flexibility, thus preventing institutions from conceiving their own functioning and development independently;
- Political influences coming from different quarters and that are often contradictory, while public opinion, interest groups, lobbying and interventions by political leaders, parliamentarians and policy makers are also sources of political influence which generate disturbances in universities, having also in mind the fact that many key politicians are also academics;

- That setting the agenda for strategic change is subject to various interpretations of events and trends which are both national and international; the range of interpretations of the same event or trend may vary both in time and space, so that taking stock of a clear line of action is rather difficult;
- That higher education institutions are limited in number, from one to about eight or so, out of which one holds a key position, being invested with many qualities as symbols of national pride; it so happens then that many concerns cluster around one and single institutions, making it difficult to narrow concerns and focus the strategy;
- That there are too many ubiquitous stakeholders, mainly those with ranking positions, who express their expectations and sometimes act as "owners", who impose their views on the ways activities should evolve in higher education institutions, views which are usually related to well-established traditions.

In order to cope with the effects of such "environmental constraints", higher education institutions must be prepared to negotiate when embarking on the elaboration of their strategies. Unfortunately, their skills and readiness to negotiate are rather limited, being influenced by the ways internal processes are carried out. Let us then consider some of these endogenous factors affecting the processes of institutional strategic management:

- Structurally, higher education institutions (universities) are loose associations of independent parts (faculties). Such structures make it difficult to elaborate an institution-focused strategy and to have in place a finely tuned strategic management.
- There are too many goals, and often they are both vague and conflicting at the university level. This in-built ambiguity makes it difficult to identify current and future directions which are so important for managing a university strategically.

- When institutional autonomy is granted to both universities and faculties (and it is limited mainly in financial terms), university leaders and administrators have a weaker power base and less authority to shape out a strategy and the institutional settings corresponding to it. Few, if any, universities in the region have a clearly identified Mission around which their strategy could be built.
- For financial reasons, many academics are engaged in multiple employment, both in the same and in different universities. This situation makes it difficult not only to reach consensus on points of strategy but also to avoid latent conflicts of interest.
- Timing has a specific cultural meaning in the region, as some will contend, and it is clear that the sense of urgency in the university setting is far from being commonly understood. This sense of urgency is enhanced by the periodicity of elections and the political instability these engender. They interrupt strategic planning and give rise to inertia. Agendas are permanently changed, newcomers bring new ideas, peer reviews are permanently demanded. Incorporating all of these in a normal flow of work requires time and considerable delays.
- There is no tradition of specialized competence in higher education management. University leaders and higher-level Ministry officials are normally promoted from within the academic ranks, and after a short period in office, return to their teaching and research posts.
- Institutional incentives are more linked to individual performances and less to a better functioning of the university. Institutional fragmentation is so large and the actions of academics so centrifugal, that the elaboration of a university strategy is always postponed.

One may easily see that exogenous and endogenous factors reinforce each other, and delays in the elaboration of plans for strategic management are a natural result.

When considering how the effects of the two categories of factors may be combined in order to generate a specific institutional strategy, we may distinguish between two approaches:

i) The reactive approach emphasizes either the passive posture with regard to local and international shifts of environment or the step-by-step actions which follow external changes;

ii) The entrepreneurial approach is focused on those changes which are based on the existing institutional strengths while putting forward new developments which show flexibility and rapid adaptation to environmental shifts.

The reactive approach seems to be dominant among the higher education institutions of the region. One way of concretizing it is when changes are brought about, one after the other, as successive reactions to external or internal pressures. Such changes are far from being consistent. Either they take different shapes in different faculties of the university, or they are scattered in time. The other way is that of avoiding any institutional change. Passivity and inertia generate a reactive approach which, in fact, reveals a lack of strategic development.

The entrepreneurial approach presupposes the elaboration of a proper strategy on institutional development, which preserves the strengths and identifies those changes that make the institution more competitive.

It seems to us important that in our Programme we should put the emphasis on how to enable higher education institutions to construct entrepreneurial strategies in order for them to enhance their performances. For this reason, we expect to:

- establish close links between policy-making and institutional strategic development;
- outline the necessary techniques for both processes, particularly:

  - develop techniques for accessing and using information and data;
  - elaborate techniques for setting policy and strategic priorities;
  - identify techniques for elaborating policy documents and strategies.
- provide incentives for the participants to commit themselves to working on policy and strategy;
- examine ways in which, by using other resources, a regional post-graduate programme in higher education management could be developed and a professional corpus of civil servants and university managers created.

1.4. Quality Assurance and the Development of Study Programmes

All European higher education systems are confronted with a set of challenges that address the quality of their provision, and even more, the quality of their outputs: the knowledge challenge, the decentralization challenge, the resource challenge, the challenge of social inclusion, and the challenge of data and comparability.

While quality assurance and evaluation is a key issue all over Europe, including South East Europe, the ways it should evolve within the European Higher Education Area have not yet been fully and clearly stated. The goal of building a "European dimension in quality assurance" has been asserted by the Bologna Declaration, but much remains to be done to create an institutional basis associated with well-established European standards, criteria, and procedures. For the smaller states of Europe, this need is of crucial importance, and South East Europe includes many such states.

Quality assurance in the higher education systems of the beneficiary countries and entities of our Programme is confronted with the need to identify a specific institutional configuration while keeping up with corresponding developments in the wider Europe. The specificity of South East Europe in this regard includes such factors as small

higher education systems, post-war and transitional processes, scarcity if not lack of resources, and a dominating culture of academic complacency, having operated for a long time in a rather closed manner.

As far as quality assurance in the region is concerned, no audit culture currently exists on which to ground appropriate policies. The quality of higher education is perceived by the majority of local academics as reflecting high standards, as being traditionally good, facts to be taken for granted, and being based on general/historical/cultural beliefs which do not require any special demonstration or application of concrete measurement standards and criteria. Consequently, quality standards and criteria have never been made explicit, even though they operate implicitly as a sort of hidden framework to be invoked only in a time of crisis.

Quality assurance monitoring systems are evolving slowly in all these countries, but this evolution is occurring in the context of a weak, unstable institutional framework, featuring a visible lack of national competencies in developing, adapting, and implementing specific standards and instruments. Information, research, and practice on the use of quality assurance instruments (as much as they exist) are not used in systematic and efficient ways in order to provide concrete feedback to adjust curricula or educational policies.

The lack of belief, among many members of the academic community, in the need to have concrete evaluation mechanisms, methodologies, and policies in the area complicates even more any national or international effort to support the development of such monitoring and evaluation systems.

Being like or catching up with the West is the main reference in implicitly evaluating the quality of any academic endeavour. When considering the above, it should come as no surprise that one may listen to discussions about European standards of quality without ever hearing any explicit mention of functioning national agencies in charge of academic quality.

When exploring developments in this field in the region, a distinction between *institutional quality assurance* and *subject-based quality evaluation* appears as important. The former should be thoroughly developed in each higher education institution having as reference issues such as the following:

i) establishment of an office in charge of quality management;
ii) clarification/decisions as to the purpose(s) of quality assurance; shifting the focus from inputs (*e.g.*, staff, resources, teaching, etc.) to outputs (*e.g.*, learning, competencies, graduates, etc.);
iii) specification of the standards, criteria, and indicators for the internal evaluation of the quality of each degree awarded by the institutions in full compliance with their European corespondents;
iv) clear statements of the procedures for managing the quality of degrees awarded by the institution.

In order to make concrete progress in these areas, it is essential to instill a *sense of urgency* among educational decision-makers concerning the need for establishing quality assurance bodies, that are really functional and for implementing institutional quality assessment procedures and policies. In other words, the steps towards higher education reform and the resulting activities should be prioritized, placing issues of institutional quality assurance at the top of the list.

Institutional quality management has as its objective the development of those quality assurance mechanisms which would make the institutions both accountable to students and stakeholders and competitive in the wider European Higher Education Area. The recent European trends of moving even further towards a conception of quality as the improvement of learning outcomes, of accountability as implying the transformation of the learning paradigm, and the development of a reflective practice in those who teach and a critical ability to move beyond established parameters of thinking in those who learn, all reflect a new stage which should start taking roots in the higher education systems and institutions in the

region. When addressing issues of institutional quality assurance, the problem is therefore one of developing a quality culture in any institution, which is to be fully linked to the quality culture of the wider Europe and of being ready to participate in information and data sharing.

Thinking of institutional quality assurance in terms of "fitness for purpose" is, for the time being, challenging, but yet not feasible in the region, owing to a lack of clearly stated purposes, and of objective strategies within higher education reform. The resulting situation may be an additional challenge to be further considered in the context. Few universities have clear mission statements or publicly known development strategies. The objectives to be attained using quality assurance mechanisms remain therefore unclear.

In addition to institutional quality assurance, the need for subject- or programme-based quality evaluation is frequently evoked in the country/entity approach to academic quality and in some western European countries. What is being referred to is the linking of each subject area, discipline, or profession, as is consecrated in a country/entity, to practices and standards existing elsewhere in Europe. When considering the size of the higher education systems in the region, one may easily dismiss any use of a purely internal nationally-driven peer review system. Even if such internal reviewing practices were accepted, a sufficient number of qualified national experts are in most cases not available to develop and/or to monitor the quality of higher education. Educational planners are also often unaware of the costs involved in monitoring the quality of a system, and these costs are therefore not reflected in the higher education budgets.

Europe as a whole does not have yet a system of independent bodies of quality evaluation covering all disciplines and professions. It is indeed the case that, within the Bologna process, there are recent attempts to develop independent pan-European bodies of quality evaluation and to search for a pool of common standards, criteria, and indicators focused on learning outputs. There are also Europe-wide

discipline-based networks. While considering such trends and developments, one may envisage the possibility of initiating a network focused on subject/discipline/profession quality evaluation. Such a network might be initiated within the region and be easily linked to other emerging European networks. It might assume responsibility for sharing information on European quality standards and procedures and for establishing a pool of quality reviewers to be further used for evaluation purposes both within and outside the region. Most of all, the network would offer a chance to really *practice* quality evaluation as a reliable exercise of academic quality assurance and improvement. However, higher education institutions themselves must be ultimately responsible for the quality of the programmes they offer.

Quality assurance is, one way or the other, related to the accreditation and recognition of qualifications. While both have been partly addressed in the countries/entities of the region by taking as reference specific European developments, it also happens that certain barriers to their implementation are at work. For instance, qualifications awarded by certain higher education institutions are not recognized by others on grounds which are politically induced, having nothing to do with their real quality. Accreditation may be nationally awarded to a new institution or study programme on weak, vaguely stated, political grounds. Bodies or councils in charge of accreditation or recognition have been legally established. Sometimes they also have some minimal equipment for communication, but they are far from being operational in terms of staff and practices. Recognition bodies (ENICs), where these exist, may function better, being a part of the Council of Europe/UNESCO Network. In order to achieve accreditation objectives, the need to establish a regional network, to be strongly linked to envisaged European developments, should again be asserted. Such a network could act as a guiding *coalition* that could generate change, communicate change, and induce short-term achievement.

As far as course programmes are concerned, it is clear that their structure and contents have been revised and updated. The most comprehensive changes have been in the social sciences and the humanities. The structure of qualifications varies from country to country, but there are also sufficient commonalities that allow for increased mobility.

Some international efforts have focused directly on reshaping the curricula and their various programmes in these countries. Adapting the new curricula to both the needs of society *and* to European standards is another challenge both for national educational actors and decision-makers and for international project designers.

A common credit transfer system for all courses in all universities to facilitate student transfers and to help ensure quality standards is envisaged in all of these countries. Some of the countries have already started to implement such a system but need further support and/or motivation to fully accelerate the change. ECTS is going to be very much on the agenda in the years to come.

Quality holds a key position in any strategy to reform higher education in the region. Moreover, governance and management should be so designed as to improve quality on a permanent basis. It is for these reasons that our Programme has quality as a key component, its activities designed so as to:

- build on the distinction between institutional quality assurance and programme or subject evaluation and offer appropriate solutions to each;
- contribute to the development of a quality culture in the systems and institutions based on cultural evidence with reference to:
  - standards, criteria, and indicators, focused on outputs;
  - procedures and mechanisms;
  - participation of all – teachers, students, and other stakeholders;

- search for possibilities to establish networks focused on quality issues among higher education institutions and also among subjects/disciplines/professions;
- provide incentives, according to needs, for initiating, consolidating, and developing structures and practices of academic quality management;
- insist on the European dimension of quality assurance and evaluation by providing links with all relevant European developments, while stressing the need for locally adapted models;
- establish optimal links between overall policy making and implementation in higher education funding and quality.

1.5. Financial Management and Institutional Relationships with Civil Society

As with the themes of strategic management, policy making and quality assurance, the effective financial management of higher education is an issue which all European higher education systems and institutions face. There are on-going debates about the relative financial responsibilities of the State, the market, the students, and other users of higher education services. There is, as yet, no clear agreement across Europe on the proper amount of public financing of higher education, that a clear trend is evident in steadily decreasing public (government) contributions in terms of per capita funding for each student in the system, and a steadily increasing private contribution to the overall costs of higher education.

Whatever the sources of financing, universities have to ensure that these are used as effectively as possible in meeting institutional goals and objectives. However, the freedom of action which universities have to ensure this goal varies considerably across Europe. It is clear that in the countries/entities of South East Europe, this freedom of action is currently extremely limited.

A number of commonalities in the field of financial management link almost all the countries/entities participating in the Programme. These may be summarized as follows:

LEGAL BASIS

There is no legal basis for the financial autonomy of universities. In most cases, the university does not have the legal possibility to make its own internal decisions regarding the allocation or re-allocation of funding. In many cases, the university does not even receive the funding, which transits directly to the faculties or institutes, which are themselves legal entities. Often, the university can only freely decide on the use of funding which has been earned through private contractual sources. In most cases in the region, the proportion of such income in comparison to governmental income is very low. It therefore becomes extremely difficult to accumulate sufficient "free income" to promote new initiatives, fund innovative ideas which can lead to longer-term reforms, or maintain a flexible provision for future needs.

There is no clear legal basis for institutional relationships with civil society. While contracts exist between higher education institutions and external bodies, they are more likely to exist between individual academics and these external bodies. There are no clear systems of incentives to encourage institutional participation in such contracts, which would allow mutual satisfaction to both the individuals and the institutions involved.

The legal basis for the creation of private higher education is often not clear. Private higher education institutions do exist in some of the countries, but these appear to exist in parallel to these systems of the public institutions, and are not as yet being exposed to the same policy considerations. The institutional links between public and private institutions appears non-existent, despite the fact that most of the staff who teach at private institutions maintain their main employment at public institutions.

There are no guidelines concerning the evaluation of donor activities. Indeed, it is difficult for some universities to have an overview of the extent of donor activity within them. Few donor activities have required an institutional approach.

FUNDING SOURCES

As noted above, the State budget is the main source of funding. Apart from resulting in overall low levels of funding, the lack of alternative financial sources also means that ministries can exercise considerable control over the internal life of a university. This control can be highly manipulated politically. Furthermore, there are no performance-based systems of criteria for the use of the State budget funding. Institutions are funded in a fixed way which provides no incentive to improve quality procedures or outputs.

There is a general and chronic under-funding of higher education in the entire region. It is estimated that in most cases, between 80 to 90 percent of the higher education budgets are spent on salaries alone. Even then, the salary levels are far from being competitive, and result in staff holding several positions, sometimes within one institution, sometimes in several institutions in the same higher education system, sometimes also completely outside the educational system. While this type of behaviour is logical from the individual perspective, the phenomenon effectively reduces the quality of the teaching and learning processes across the system, blocks the academic job market for younger entrants, and contributes to built-in resistance to any reform to encourage the rational use of human and financial resources.

The high concentration of budgetary resources on salaries also means that the academic infrastructure has gradually deteriorated over a long period of time, and few new investments have been possible.

Tuition fee systems are present in the entire region within the public sector. In some cases, up to 100 percent of the students pay a fixed fee as a part-contribution towards the costs of tuition. More usually, however, over 50 percent of the

students pay no tuition fees, these being covered by the State budget contribution, while the remaining students pay either partial or full tuition fees, depending on their grades at entrance. This scenario is one response to the shortage of income from State budgets. Students typically also pay many sorts of "fees" for standard services, such as taking an examination, obtaining a certificate, etc. The services entailing such fees are not always completely clear or transparent.

Private income is not spent according to transparent regulations. Many projects represent a parallel source for survival for professors and faculties, and it is unclear whether institutions are even aware of the existence of these funds. It is difficult therefore to make any consequent evaluation of the results of such projects at the institutional level. A percentage transfer ("overhead") of income earned through external contracts by individuals, departments, and faculties to the central university budget is not a standard feature in the region. Such a system of overheads, with clearly established rules and procedures, represents one way of ensuring that those using the name, reputation, and resources of the institution, are also contributing to its financial resources.

The generally poor state of the economies in the countries and entities of the region means that there is limited scope for co-operation in any important financial sense of the term between universities and civil society.

A number of countries/entities receive World Bank loans for the higher education sector. These have been negotiated at government level but often include direct contracts with higher education institutions, for the implementation of strategic reform elements. The effects of these loans have not yet been evaluated, since most are very recent, but they represent an important financial input into the higher education system.

FINANCIAL MANAGEMENT OF PUBLIC FUNDING

Financial management is highly centralized in the entire region, and control lies more with the ministries of finance than with the ministries responsible for higher education.

Budgets are, for the most part, calculated on the basis of inputs (numbers of positions and students) rather than outputs (numbers of graduates, learning outcomes and competencies), resulting in continuously increasing numbers of undergraduate students and little knowledge of what outputs the institution may be producing.

Discussions have however started in some places regarding more flexible funding mechanisms for allocating the budget at national level (budget formula or vouchers or competitive grants funding). These discussions are as yet not very advanced.

There are few financial evaluations of needs concerning investments, although the existence of these needs is visibly clear. Such global financial evaluations would help establish the real needs and their implications for the future. Given the expected scale of real investment needed at both system and institutional levels, a multi-annual strategy for ensuring basic investments will also be essential. Student services (housing and social services) are almost ignored as a priority for investments.

It is almost impossible to introduce a loan system for students in the absence of a real banking system. The issue of a student loan system is one area that the World Bank is addressing in a number of countries.

FINANCIAL MANAGEMENT IN HIGHER EDUCATION INSTITUTIONS

As already noted, in most systems, the universities have no control over funds from the State budgets, which are already strictly allocated for predetermined purposes.

There is no clear differentiation among budgeting for different study fields, apart from the pre-set allocations made at Ministerial level. Some study fields are closer to the market than others, and succeed in earning considerable amounts of money through external contracts, but the financial benefits of such contracts are usually confined to the department or team

of individuals involved. The concept of a fixed overhead payment to the University is not well developed.

There are no specialized positions for financial managers within universities and faculties. Given the limited decision making powers which have historically existed in this field, this task is perhaps not surprising. However, a real reform of higher education financing will not be possible without such capacity within the institutions.

As for the distribution of the State budget, funding mechanisms within the university are not based on a "following the student" formula or voucher system. This absence contributes to the lack of flexibility for students in transferring from one faculty to another and to the development of interdisciplinary study programmes.

ACCOUNTABILITY

There are no clear systems of accountability in the entire region. The lack of financial autonomy means the universities have limited responsibility for the use of funds. The very high percentages reserved for salaries also contribute to the lack of accountability, since there is little money left over for other expenditure. In some systems, state budgetary funding still unused at the end of the year must be returned to the ministry. As a result, it is impossible to develop strategic reserves for new initiatives or discretionary funding to provide incentives.

Functioning management information systems would also help promote both transparency and accountability in the field of financial management, by providing clear data on which financial decisions could be based, but by which financial decisions can also be judged. The current limited concept of financial accountability also restricts institutional relationships with civil society.

The lack of reliable statistical data as a basis for estimating the financial needs for eventual strategies is a serious obstacle to the development and implementation of reform. The expertise in setting up and operating management information systems should be equally shared between public authorities

(ministries) and the institutions themselves, since both are key stakeholders in the process. Foreign financial planning and reporting models may be of interest to participants in our programme, but would need to be carefully examined and adapted to the specific local needs and issues. Synergy with the World Bank and other international donors, including TEMPUS, would be essential in this field.

Our Programme could usefully contribute to the development of financial management capacities and an increased sense of accountability by promoting activities designed to:

- develop a vision of how financial responsibilities and management can be negotiated and shared between ministries and universities;
- demonstrate the advantages of lump-sum funding on a contractual basis, with flexible mechanisms for the internal allocation and distribution of this funding to match university strategic objectives;
- develop operational management information systems within universities, to inform university leaders and administrators responsible for the financial management of the institution and its accountability to society;
- tackle the problem of serious under-investment, by facilitating the development of global financial evaluations to establish real investment needs and the implications of these for the future;
- develop incentive systems to encourage entrepreneurial initiatives within the university, while at the same time ensuring that an overhead on external contract income is paid to the central university budget;
- examine methods of developing a "voucher" system of funding for students.

Part 2

Mapping Trends and Developments: A Compilation of Data, Information, and Analyses

2.1. Statistical Information on Higher Education in Central and Eastern Europe

In the context of its activities for the dissemination of information, UNESCO-CEPES is publishing basic statistical information on higher education in Central and Eastern Europe covering the post-1998 period. An effort is being made to present data that is as recent as possible. Therefore, what is published herein is data provided to us directly by our partners in the respective countries. The information presented provides data for the academic year 2000-2001, in the following areas:

- numbers of institutions (public and private) and teaching staff (in public and private institutions);
- student enrollments (public and private);
- numbers of students per 100,000 inhabitants;
- student/teacher staff ratio.

Table 1. Numbers of students, teaching staff, and population

Country	Numbers of students					Numbers of teaching staff	Total population in 2000 (in millions)
	Public	%	Private	%	Total		
1. Albania	23,704[1]	100.0	0.0	0.0	23,704	3,075	3.4
2. Belarus	241,100	87.0	35,900	13.0	277,000	20,086	10.0
3. Bulgaria	215,676	88.5	27,916	11.5	243,595	23,329	8.0
4. Croatia	117,205	98.6	1,646	1.4	118,851	5,585	4.3
5. Czech Republic	213,207	99.0	2,000	1.0	215,207	14,890	10.3
6. Estonia	38,511	74.8	12,963	25.2	51,474	3,715	1.4
7. Hungary	255,943	85.7	42,561	14.3	298,504	22,873	10.2
8. Latvia	78,156	87.3	11,353	12.7	89,509	5,160	2.3
9. Lithuania	**	**	**	**	99,140	**	3.7
10. The FYR of Macedonia	39,978	97.7	923	2.3	40,901	2,634[2]	2.0
11. Moldova	79,713	77.4	23,210	22.6	102,923	7,700	4.3
12. Poland[3]	1,106,798	70.1	471,443	29.9	1,578,241	80,208	38.6
13. Romania	322,129	71.1	130,492	28.9	452,621	26,977	22.4
14. Russian Federation	4,270,800	90.0	470,600	10.0	4,741,400	**	144.8
15. Slovak Republic	125,054	99.3	842	0.7	125,896	11,559	5.4
16. Slovenia	64,989	95.7	2,900	4.3	67,889	**	1.9
17. Ukraine	**	**	**	**	1,931,000	128,000	49.1

[1] Plus 1,392 part-time students

[2] In public institutions

[3] For Poland, the numbers of teaching staff indicate only full-time employees (in addition, there are 5,235 part-time and 15,452 short-term contract employees). For the case of multiple employment, a particular member of academic staff is counted twice, three times, depending on the number of institutions in which he/she is formally employed.

** Data not available

Table 2. Numbers of students

Country	Numbers of institutions				
	Public	%	Private	%	Total
1. Albania	11[1]	100.0	0	0.0	11
2. Belarus	42	73.7	15	26.3	57
3. Bulgaria	79	89.7	9	10.3	88
4. Croatia	17	65.4	9	34.6	26
5. Czech Republic	28	66.7	14	33.3	42
6. Estonia	14	40.0	21	60.0	35
7. Hungary	30	48.4	32	51.6	62
8. Latvia	20	60.6	13	39.4	33
9. Lithuania	38	90.4	4	9.6	42
10. The FYR of Macedonia	2	66.7	1	33.3	3[2]
11. Republic of Moldova	57	50.0	57	50.0	114
12. Poland	115	37.1	195	62.9	310
13. Romania	57	40.7	83	59.3	140
14. Russian Federation	607	62.9	358	37.1	965
15. Slovak Republic	18	90.0	2	10.0	20
16. Slovenia	2	18.1	9	81.9	11
17. Ukraine	816	83.3	163	16.4	979

[1] 8 universities, 1 defense academy, 1 police academy, 1 nursery high school

[2] Plus the "illegal" Albanian University of Tetovo.

Table 3. Numbers of students per 100,000 inhabitants[1]

Country	Numbers of students per 100,000 inhabitants
Albania	697
Macedonia	2,045
Romania	2,020
Czech Republic	2,089
Slovak Republic	2,330
Republic of Moldova	2,393
Lithuania	2,590
Croatia	2,641
Belarus	2,770
Hungary	2,927
Bulgaria	3,045
Russian Federation	3,274
Slovenia	3,573
Estonia	3,677
Latvia	3,892
Ukraine	3,920
Poland	4,084

[1] *Note:* Data calculated on the basis of the data in Table 1.

Table 4. Student/teacher staff ratio[1]

Country	Student/teacher staff ratio[2]
Croatia	20.9
Poland	19.7
Romania	16.8
Latvia	17.4
Czech Republic	14.4
Slovak Republic	10.9
Estonia	13.9
Belarus	13.8
Moldova	13.4
Hungary	13.1
Bulgaria	10.4
Ukraine	10.0
Albania	13.7
Lithuania	**
Macedonia	15.2
Russian Federation	**
Slovenia	**

[1] It should be noted that a "multiple teaching position" is quite a common practice in a certain number of countries in Central and Eastern Europe.

[2] Data calculated on the basis of the data in Table 1.

** Data not available

Explanatory Note: Data sources and Internet sources presented were numbered corresponding to the number assigned to each country in Table 1 and Table 2.

Sources:

The Development of Education - National Report of the Republic of Belarus. Minsk: Ministry of Education, 2001.

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Handbook Russia 2001. Moscow: State Committee of the Russian Federation on Statistics, 2001.

Data derived from Higher *Education and Recognition Practices – Slovakia*. Bratislava: Institute of Information and Prognoses of Education, 2001.

Internet data sources:

<http://www.org.uva.nl/eair/porto/papers/Hagelund%20Poster.pdf>

<http://www.std.lt/STATISTIKA/Gyventojai/Liet_gyventojai_e.htm>

<http://www.sigov.si/vrs/ang/slovenia/education.html

<http://www.education.gov.ua:8800/edu/>

<http://www.education.gov.ua:8800/edu/docs/common/higher_educ_eng.html

Data sources for Population:

<http://dsbb.imf.org/country.htm>

<http://www.prb.org/template.cmf?template=InterestDisplay.cmf&InterestCategoryID=215>

Table 5. Numbers of students, teaching staff, and population of Albania, Bosnia-Herzegovina, Croatia, FYROM, Kosovo, Montenegro, and Serbia

Country	Numbers of students					Numbers of teaching staff	Total population in 2000 (in millions)
	Public	%	Private	%	Total		
Albania	23,701	100.0	0,0	0.0	23,701	3,075	3.4
Bosnia-Herzegovina (FBH+RS)	57,722				57,722		3.9
FBH	43,839				43,839		-
RS	13,883				13,883		-
Croatia					96,789		4.5
FYROM	39,978	97.7	923	2.3	36,000	2,634	2.0
Kosovo	22,058				22,058		2.1
Montenegro	7,892				7,892		658.000
Serbia	208,000				208,000		7.8

Table 6. Numbers of institutions (2000-2001 academic year)

Country	Numbers of institutions				
	Public	%	Private	%	Total
Albania	11 (8U+3C)*	100	0	0.0	11
Bosnia-Herzegovina (FBH+RS)	18 (7U+11C)	-	-	-	
FBH	12 (5U+7C)	-	-	-	12
RS	6 (2U+4C)	-	-	-	6
Croatia	86	90.4	9	9.6	95
FYROM	2	66.7	1	33.3	3
Kosovo	1	-	-	-	1
Montenegro	1	-	-	-	1
Serbia	5	-	-	-	1

* U = universities; C = colleges;

Table 7. Numbers of students per 100,000 inhabitants

Country	Numbers of students per 100,000 inhabitants
Albania	697
Bosnia-Herzegovina (FBH+RS)	1,480
FBH	-
RS	-
Croatia	2,151
FYROM	2,045
Kosovo	1,050
Montenegro	1,199
Serbia	2,666

Table 8. Student/teacher staff ratio

Country	Numbers of students	Numbers of teaching staff	Student/teacher staff ratio
Albania	23,704	3,075	13.7
Bosnia-Herzegovina (FBH+RS)			
FBH			
RS			
Croatia			
FYROM	39,978	2,634	15.2
Kosovo			
Montenegro			
Serbia			

Sources: OECD. *Thematic Review of National Policies for Education - Croatia, 2001*; OECD. *Thematic Review of National Policies for Education - Bosnia-Herzegovina, 2001*; OECD. *Thematic Review of National Policies for Education - Croatia, 2001*; OECD. *Thematic Review of National Policies for Education - Montenegro*, 2001; OECD. *Thematic Review of National Policies for Education - Kosovo*, 2001; Kaser, Karl. *Visit Report*. Bucharest: UNESCO-CEPES, 2002.

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2.3. Strategic Management, Governance, and Policy Making

2.3.1. LEGAL BASIS

Albania

"The legal basis since 1999 (Law No. 8461, 25/02/1999), but certain changes are under preparation. They will concern the fields of the University system - orientation towards the Bologna process - and the financial autonomy of the universities" (Kaser Report, p. 2).

"The first University Act entered into force in 1994, and in 1999, it was replaced by a new Act which, owing to recommendations by foreign experts, has much in common with, for example, the Danish University Act. The Act defines the institutional landscape including the Ministry of Education, state and private educational institutions, the Rectors' Conference, and the National Accreditation and Quality Assurance Institute. There are rules concerning the election of senior managers (Rector, Deputy Rector, Deans, Heads of Department), about governing bodies, budgets, personnel, students and studies, and the division of

competencies between the Ministry of Education and the local leaders and bodies. Academic freedom and the autonomy of the institutions in certain areas receive explicit mention.

"Concepts such as the Study council and Director of Studies are not to be found in Albanian university legislation. The powers embodied in these organs in Denmark are placed at faculty level in Albania. The Act empowers the Ministry to lay down further rules in certain areas, e.g., admission. As is the case with so much other legislation, there is, however, quite a distance from the letter of the law to reality" (Hagelund Report, pp. 8-9).

"Many questions arise when an Act is drawn up on the basis of foreign models, and these cannot be clarified by means of traditional methods of interpreting laws as there are no contributions to an interpretation such as responses from hearings, parliamentary debates, committee reports, and the like.

"On the other hand, Albanians have become very keen on regulating everything down to the most minute detail. The communist regime gave low priority to the rule of law, and the significance of legislation in administration and justice was minimized. On the contrary, it is now the general opinion that questions of doubt and distortion of power can be avoided by means of comprehensive statutes, regulations, and directives which lay down competencies and control measures.

"For this reason, the contemporary Western principles concerning target-orientation and framework management contained in the University Act are not having the intended effect. The former centralized top-down-management model is still firmly in place, and the higher authorities hold on to power. It is difficult for the subordinate bodies to take the initiative to exploit possibilities for autonomy. The financial situation of the universities is a good example of what can occur" (Hagelund Report, p. 9).

Bosnia and Herzegovina

"In spite of the fragmented nature of education in BiH, the overall legal framework still strongly reflects its common *ancien*

régime heritage. There are, however, variations in practice, especially in the mixed cantons and in the relatively isolated eastern parts of RS.

"In the Federation, canton ministries must invite public debate on proposed laws and must respond to public comments or justify their reasons for not doing so. The Federation Constitution allows cantons to confer responsibilities "upward" to the Federation or "downward" to municipalities, but except in the Croat majority cantons, there is little conferral of this kind. The Croat authorities, however, consider that in the mixed cantons all responsibility is devolved to municipal level. Because there is no adopted legislation, this practice has never been formalized" (OECD Review: BiH, p. 10).

"It has been suggested that legislative work could be improved by providing expert support to the standing legislative committees that are available to all assemblies in BiH. In the area of education law, drafts could be created by these standing committees with the help of international expertise, which is often freely available from professional associations or universities in other countries" (OECD Review: BiH, p. 10).

"Under Dayton, each of the ten cantons has the authority to develop its own legislation and regulations. While there are differences, these laws and regulations are, by and large, similar.

"In summary, of the five Bosniak-majority cantons, four have adopted laws on pre-primary, primary, and secondary education, the exception being Bosna Drina-Gorazde canton which (1999-2000) had primary and secondary education laws only. Laws on higher education are problematic, especially in Sarajevo and Tuzla; only Una-Sana has a law on higher education (1999).

"The three Croat majority cantons (known collectively as Herzeg-Bosna) have all adopted laws on pre-primary, primary, and secondary education. There are also regulations covering the University of Mostar.

"The two 'mixed' cantons (Central Bosnia Canton and Herzegovina-Neretva [Mostar] Canton) are openly partitioned, including administrations, ministries, and agencies. There is no canton-level education legislation, as the canton legislatures are not functioning effectively. Meanwhile, the most important education and related pre-constitutional laws are:

- "The Law on Institutions (Republic of Bosnia and Herzegovina, *Official Gazette* nos. 6/92, 8/93, and 13/94);
- "The Laws on pre-primary, primary, and secondary education (Republic of Bosnia and Herzegovina, *Official Gazette* no. 39/90);
- "The Law on the University of Dzemal Bijedic.

"However, the pre-constitutional law in force has little bearing on actual practice in mixed cantons. The Croat-majority education institutions and parallel government administrations follow laws promulgated during the war by the former State of Herzeg-Bosna, which was disbanded in 1996. These laws include regulations on pre-primary, primary, and secondary education, as well as on higher education (*Croatian Community of Herzeg-Bosna Official Gazette no. 2/93).* Since the Croat State of Herzeg-Bosna was never formally recognized, its legislative acts are considered void. Education regulation in the 'mixed' cantons is, therefore, generally in want of a legal basis on both the Bosniak-majority and Croat-majority sides" (OECD Review: BiH, pp. 10-11).

REPUBLIC OF SRPSKA

"Here, the legal competence for education is centralized at the Entity Ministry of Education, and all areas of RS are served by a single pedagogical institute in Banja Luka. There are two universities - the University of Banja Luka and the University of Sarajevo-Srpska (comprising most of the Serb faculty members of the pre-war University of Sarajevo).

"Education laws in RS include:

- "The Law on Primary Education (RS *Official Gazette* No. 4/93);

- "The Law on Secondary Education (RS *Official Gazette* No. 4/93);
- "The Provisions on Higher Education (RS *Official Gazette* No. 13/94)" (OECD Review: BiH, p. 11).

"A new Law on higher education is to be adopted in 2002. At present, there is a draft proposed by some members of the Parliament, but also another one prepared by certain academics. It may also be the case that a single draft is under discussion, but the views of policy makers and parliamentaries and those of some academics are far from converging" (Purser and Vlăsceanu Report, p. 4).

Croatia

"It is generally accepted that the Higher Education Act of 1994 did not provide a balanced framework for reforms in the system. Many aspects are hardly mentioned in the policy documents (*e.g.*, continuing education, post-secondary education, lifelong learning). New legislation proposed by the MoST is currently under consideration. The new document envisions serious changes in a number of important areas, such as the autonomy of Higher education institutions, the introduction of an improved quality assurance system, more effective internal management, new procedures for the development of academic programmes and curricula, introduction of financing linked to performance criteria, and other features. The draft Law provides for a much-reduced role of the state in the management of higher education institutions as well as in academic matters. The legislation also underlines a strong role for market forces in the funding of higher education institutions and their overall operation. The management of the Higher education institutions, as well as academia in general, are opposed to a number of the provisions in the proposed legislation" (OECD Review: Croatia, p. 26).

"A new law on higher education may be soon adopted.

"The provisions of the Bologna Declaration provide both the reference framework and the basic options of the envisaged Law, as all those mentioned" (Purser and Vlăsceanu Report, p. 3).

FYR of Macedonia

"The Constitution of 1991 (Art. 6) grants autonomy to universities and institutions of higher education.

"Until 2000, Macedonian higher education was still regulated by the 'Law on Directed Education' (1985), covering secondary, vocational, and higher education. This law was part of a global concept of vocationally-oriented education in the former Yugoslavia. It was superseded by the new 'Law on Higher Education' (adopted 2000).

"The new Law emphasizes university autonomy and open access by qualifying students on the basis of a competition for available places. There is now a quota system whereby a specific percentage of places is allocated to ethnic minorities. The Government of the Republic of Macedonia determines the number of available places funded by the State, but institutions may accept additional (paying) students according to their capacity and licence. Studies may be full- or part-time, or by distance learning. Diplomas and titles are specified in the new Law" (OECD Review: FYROM, pp. 38-39).

"Higher education was, until 2000, regulated by the Specialized Education Act of 1985 that was, however, not in compliance with the new Constitution of the Republic of Macedonia, adopted in 1991. A new higher education law has therefore been drafted with the support of the Legislative Reform Project for Higher Education of the Council of Europe and adopted in November 2000. The new law provides for a new legal status for higher education institutions, affirming their autonomy, offering the possibility to establish both state and private institutions, and introducing new recognition procedures in accordance with European standards etc." (Haug and Tauch, Trends III, p. 49).

"The 'Law on Higher Education' (see Law on Higher Education, Skopje, July 2000 [unofficial translation]) adopted in 2000 does not work in certain areas. Reasons for this failure are:

- "it is based on the pertinent Slovenian law, which is good, but does not meet the FYROM reality

- "it creates contradictions to other existing laws
- "therefore a serious legal basis is in reality not existing.

"For this reason, a new law is currently worked out (see *Proposal for passing a new law for change and supplement of the Higher Education Law with Draft Law*, July 2001).

"Where autonomy is concerned, the situation under the law of 2000 is also not very clear. The reason has to do with the tradition of autonomy. In communist times, the faculties had autonomy. The university as such was considered only as an association of autonomous faculties. This situation still more or less prevails. Therefore, there is no clear situation and nobody would underline a 100 percent autonomy of the university as such, since the budget goes directly to the faculties.

"Article 46 of the Constitution of the Republic of Macedonia deals with the autonomy of the Universities" (Kaser Report, p. 8).

FR Yugoslavia

SERBIA

"Acts relating to Higher and University Education:

i) 'Two-Year Post-Secondary School Act' (adopted 1996)
ii) 'University Act' (1998)
iii) 'Professional Titles Act' (1995)
iv) 'Act on Establishing Teacher Training Faculties and Abolition and Change of Activities of Teacher Training Colleges and Two-Year Post-Secondary Schools' (1993)
v) 'Textbooks and Other Teaching Aids Act' (1993)
vi) 'Police Academy Act' (1993)

"Other Acts related to Tertiary Education:

vii) 'Scientific Research Activity Act' (1993)
viii) 'Librarian Activity Act' (1994)
ix) 'Endowments, Foundations and Funds Act' (1989)

"Sub-legal Regulations in Tertiary Education:

x) 'Regulation on Standards for Setting the Price of Tuition Fees at Two-Year Post-Secondary Schools Established by the Republic of Serbia' (1995)

xi) 'Regulation on Scale of Norms and Standards for Working Conditions at Universities and Faculties Financed by the Budget of the Republic of Serbia' (1995)

xii) 'Resolution on Establishing the Republic Council for University Education Development' (1997)

xiii) 'Resolution on Number of Students Enrolled in the First Year of Studies at Faculties Established by the Republic of Serbia and on Setting the Price of Tuition Fees for the 1997-1998 Academic Year' (1997)" (OECD Review: Serbia, p. 51).

"A new legal framework for higher education has been proposed providing for university autonomy to be restored, and this is expected to be passed by Parliament as one of the first pieces of legislation of the new Government. New regulations have enabled elections for all positions of Rector, deans, and professors, thereby making it possible for any appointment improperly made in the past to be rectified. This process was almost complete at the time of the team's visit. The new legislation provides for an accreditation board, which will initially operate for three years. While the purpose of the board is supported, regional universities are concerned about the dominance of the board by one central university which has six out of the nine board members. It is understood that this is a matter which will be resolved during Parliamentary debate on the new legislation. There is general support for the direction of the new legislation and the open processes used to remedy past difficulties" (OECD Review: Serbia, p. 42).

"The legal basis of higher education is currently being modified, and called the Interim Law. The changes however are not going to entirely reshape the system, instead the modification is going to eliminate the very over centralizing elements of the 1998 Law and restore somehow the university

autonomy taken away by the above act. So the new version will not be a framework law of the future HE, but rather an emergency solution.

"The major weakness of the modification, which is expected to be passed by the parliament sometime in March 2002, is that it maintains the fully legal status of the faculties, which provides very little room for the university to become an integrated higher education unit, creating a joint university mission and a solid ground for the necessary restructuring for integration to the common Europeanhigher educationspace" (Frenyó Report, p. 26).

Kosovo

"In the absence of new education laws, many of the old FRY laws still apply, at least formally. In practice, the system functions according to regulations issued by DES [Department of Education and Science] that has a special 'legal officer'. New laws for general and vocational education and school organization are underway, and are seen as 'a comprehensive, lean guideline under which the autonomy of schools and municipalities can grow" (OECD Review: Kosovo, p. 11).

"The new law on higher education, is called 'Regulation No. 2001/XX (draft: 11 Dec.) on Higher Education in Kosovo'. The act is based upon the authority given by the United Nations Security Council's resolution and takes into account all the internationally recognized legal instruments relevant to higher education. A special emphasis has been put on the Declaration of European Ministers of Higher Education at Bologna (1999) and Prague (2001).

"As soon as the new Government of Kosovo is established, the draft will be submitted to the assembly. If there is not a government within a reasonable time, the International Administrator of the UNMIK is going to put it into effect.

"The act is a framework law, but it very well spells out all the important issues of higher education, so it is a good legal basis for preparing the university Statutes, as well as a 'guide' for the implementation of the reform.

"An Interim Statute has already been prepared with the technical assistance of the Council of Europe and with the financial support of the World Bank. It has been discussed with the Statutes Commission of the UP, and several comments of them were taken into account and finally the university has accepted it. The final version is going to be an appendix of the Law, however it will remain in the university's competence to modify it if necessary" (Frenyó Report, p. 4).

MONTENEGRO

"The University Law of 1992 regulates higher education. It defines the university as consisting of higher professional schools, faculties, art academies and scientific institutes. The law allows for the creation of private higher education institutions but at present there is only the public University of Montenegro" (Haug and Tauch, Trends III, p. 52).

"A new university law is in preparation. The new law is intended to reduce current faculty rigidity (for example, by introducing modular course structures and allowing better co-ordination and 'porosity' between courses and faculties).

"The government allowed the university itself to draft the law, to ensure that it had wide support among the academic community. The Council of Europe has been invited to comment on the draft; it has also been given to students, which shows a sincere desire for openness and consultation. Students, however, reacted rather negatively because they felt the university structure still retains too much autocratic power and is not sufficiently responsive to student-related issues and concerns. They also believe that the draft law contains too many regulatory details, and does not take the different needs of faculties and disciplines into account; they say that science and social sciences have different resource requirements, that laboratories are poorly equipped and that the academic staff is too 'insular' with little contact with the European or world-wide academic community. Nevertheless, the proposed composition of the University Senate (one-third government nominees, one-third academics, one-third students) has raised students' expectations, and they are also encouraged by the Council of

Europe's support for better quality assurance mechanisms and international 'portability' of diplomas" (OECD Review: Montenegro, p. 38).

"The legal basis of university functioning is based upon the act on higher education. Since the decision about a new higher education law has already been taken three years ago, a draft bill has been prepared. Owing to the outstanding co-operative attitude of the Ministry of Education and Science (MES), the drafting opportunity has been given to the university. Following the dissemination and discussion of the draft among several fora of the university, the new European trends in higher education (Bologna, ECTS) became known, and experts of the Council of Europe were asked to review the preliminary document. Following their deep analysis and recommendation, a redrafting process got started, relying upon the Bologna declaration" (Frenyó Report, p. 18).

2.3.2. POLICY PAPERS (DEVELOPMENT STRATEGIES)

Albania

"The development strategy elaborated with the support of the Council of Europe (1996-98) identified the absolute necessity for legal changes in the following areas:

- "Setting up a system of quality assessment and accreditation
- "Definition of procedures for the election of governance bodies according to European Standards
- "Increasing of financial and institutional autonomy
- "Improvement of admission procedures in Higher Education

"The law of 1999 reflects a number of improvements in these fields, but several goals are not yet accomplished, especially where autonomy is concerned.

"One of the priorities is the development of the post-university qualification system, as well as of a powerful instrument for in-service-training and further qualification (*e.g.*, introduction of the doctorate).

"The basis for this strategy consists of two decrees, passed in 1999:

i) "The 'Post university scientific qualification' decree;
ii) "The 'Post university qualification and specializing courses' decree.

"Meanwhile Master's and PhD studies (with limited access) are being implemented. A still open question that has to be solved in the near future is the integration of teaching and scientific research. Research in the universities is not possible because, among other reasons, of the complete lack of equipment (especially in science). The integration of the university and the Academy of Sciences has not yet been possible.

"One of the main impacts of legislative reform has been the increase of the policy-making role of the Ministry in the development of the Higher Education system.

"A so-called 'platform' (see paper: '*Platforme e zhvillimit te metejshem te reformes ne arsimin e larte*') has been installed, consisting of ... people from the universities and the ministry, working on a proposal for a new legal basis of Higher Education. This 'platform' consists of 8 working groups:

- "Most important: renewal of curricula according to the Bologna process (much has already been done in the previous years).
- "Teaching and research
- "Standards and quality assurance
- "Admission
- "Financial autonomy and management
- "Editing of new textbooks (also considering the market)
- "Reform of libraries
- "Renewal of higher education

"This platform is actually working in the first of three phases:

i) "to study the actual needs (planned 4 months);
ii) "legal implementation by Parliament (planned 2 months);
iii) "realization (planned 2-3 months).

"The platform was expected to continue its discussions until the end of March 2002. By then, a national solution was expected. Concerning the reform of the course programmes, it seems to be likely that a 3+2+3 system will be the result. But there are many voices in favor of a 4+1+3 system: for it would better suit the actual situation.

"One of the matters that concerns the discussion is the labor market. There is big awareness that students will be exposed to the market and its challenges" (Kaser Report, pp. 2-3).

Bosnia and Herzegovina

REPUBLIC OF SRPSKA

- "A contract of about 100,000 USD between the University of Banja Luka and the PMU of the World Bank loan to BiH for higher education development is to be mainly used for elaborating an institutional strategic plan and implementing the envisaged changes in the organization and management of the University and in the curriculum of its various study programmes.
- "The Bologna Declaration and its values/principles are taken as a reference framework. This is a very important fact, having potentially, and probably also factually, far reaching consequences. Let us mention a few of these:
    - "Academics from different entities of BiH now have a common frame of reference, a set of values and options on which they can ground their discussions and eventual common undertakings. This frame will also act as a 'conflict resolution; mechanism. It will help put aside differences induced by ethnic affiliations and provide a set of European options which help the persons concerned transcend parochial traditions;
    - "Academics are also supported in their dealing with politicians and policy makers, who seem to be more traditional and see universities as cultural/national

symbols and as the locus for shaping culturally ethnic identities based on differentiation;

- "The Bologna Declaration generated a split between traditional academic values and what are now emerging as European values for most of the university staff and leaders. However, this split is yet highly superficial, it has not penetrated very deeply into the university ethos and value system. From here derives a large gap between words and actions, references and facts, a gap which seems more often than not unbridgeable at this stage.

- "There is no system policy, and the strategic management of the University of Banja Luka will be elaborated with the grant from the World Bank loan. The grant shall also provide the financial means for bringing about the previewed changes. How the University is going to function after this stage is over remains unknown. The sustainability of the University is a big issue" (Purser and Vlăsceanu Report, pp. 4-5).

Croatia

"The Senate of the University of Zagreb adopted, this month [February 2002], for the first time, a framework strategy which obtained the agreement of all faculties ('Break Through 2002'). The framework strategy includes a set of principles for the development of the university as a whole and of each component faculty.

"The development of higher education was outlined only in the overall Government strategy, so that as yet there is no detailed strategy for the development of the higher education system. No worry then that there is no university strategy in place" (Purser and Vlăsceanu Report, p. 3).

FRY of Macedonia

"A paper called 'Education Development Strategy 2001-2010', edited by the Ministry of Education and Science in February 2001, has been produced.

"The paper identifies twenty-seven priorities for the decade 2001-2010. The crucial matters for higher education are the transfer system and the accreditation and evaluation systems are ranked 26 and 27 respectively. The aim is to achieve the two priorities in 2008.

"To achieve these goals will take much time and money, which is expected to come from the international organizations. Where the transfer system is concerned the responsible parties consider necessary first to establish a national system and in a second step to link it to the international system" (Kaser Report, p. 8).

FR Yugoslavia

SERBIA

"System level policy making is in the hand of the Ministry of Education and Science. The latest policy paper concerning higher education is the '*Serbian Higher Education Reform*' provided by the Ministry of Education and Sport.

"The great majority of the reform elements of that paper however will not show up in the Interim Law, nor in any other legal documents, so most of them stay for the moment at the level of wishful thinking. The reason is that the disintegrated system of higher education that currently exists in Serbia need a lot longer time for discussion and negotiation, before a fair support of any radical changes will appear" (Frenyó Report, p. 27).

KOSOVO

"UNMIK [United Nations Mission in Kosovo] is committed to achieving two main goals in the field of education. First, ensuring rapid resumption of schooling and continued learning during the transition to an elected, democratically accountable government. Second, supporting the longer-term reconstruction and transformation of the education system to reflect the needs of a modern European society.

"The October 1999 DESK[3] draft discussion document outlined a strategy for achieving these two goals, and for a smooth transition from UNMIK's interim administration to local governance in the educational sector. The DESK model sought to create a framework for co-operation between UNMIK, donors, UN and international agencies, NGOs and local administrators and specialists, bringing them together in working groups. However, this approach did not work well in practice, and has now been replaced by a system of 'Lead Agencies' (international agencies taking responsibility for a specific task) working under the direction of UNMIK's recently established (March 2000) Department of Education and Science (DES), responsible for all education and science affairs. DES also seeks to co-ordinate NGO activities to ensure maximum effectiveness and prevent overlap.

"There is however a very ambitious 'Ministry Empowerment Project' in order to train the potential human resources for the ministry (*Handbook on Municipal Education Government*). The programme was created by the UNMIK and supported by the World Bank. The professionally organized capacity building programme focuses on establishing a highly trained team for government services which would also help to establish and sustain a transparent system, serve as guardians of morality, struggle against corruption, and keep political parties out of the Ministry as for as daily activities were concerned.

"The Ministry of Education is intended to be a model for civil service" (Frenyó Report, pp. 3-4).

"As it has already been mentioned, the UNMIK's Department of Education and Science was in charge of developing policy papers, strategic planning taking care of the legislative issues, as well as implementing the reform project" (Frenyó Report, p. 4).

"Beyond several papers on the transformation and reform of higher education in Kosovo, the most recent foundation stone, according to the statement of the International

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[3] Design of the Education System of Kosovo" Concept Paper, UNMIK Education Section, 17 October 1999"*(OECD Review: Kosovo*, p. 11).

Administrator too, is the 'Education Policy Statement 2001', prepared by the IA.

"One of the key statements of that document is that: 'The basic assumption is that the education system will play the key role for any sustainable process of implementing the elements of a durable civil society in Kosovo'.

"The social and cultural dimension of the reform strategy is especially emphasized. Talking about the university issues it emphasizes the necessity of the integration of the UP to the European standards. The introduction of the Bologna scheme, the application of quality management, the adoption of ECTS and the development of an autonomous profile with respect to any further governments are some of the key goals mentioned. The poor standards in the field of research, and the necessity of having it changed are also highlighted.

"Listing a set of responsible policy statements, it also underlines that only implemented reforms can help the people on their way towards autonomy" (Frenyó Report, p. 5).

MONTENEGRO

"System level policy making is in the hand of the Ministry of Education and Science. A White Paper on Education has recently been prepared. It does not particularly focus on higher education. Instead, it covers the issues of the pre-school, elementary, and secondary school system, vocational training, and the so-called education of adults.

"On the other hand, the Ministry of Education and Science handed over the possibility of drafting the higher education law to the university. It also made it possible for the university to greatly influence higher education policy.

"Beyond the drafting of the law, the university is also preparing a higher education reform paper" (Frenyó Report, pp. 18-19).

2.3.3. MANAGERIAL STRUCTURES (MINISTRIES, UNIVERSITIES, FACULTIES)

Albania

"Higher education follows a unitary two-tier model. There are two kinds of university-type higher education institutions: 8 universities and 2 academies.

"In addition to the universities and academies there is a nursing school that awards a professional diploma after 2 to 3.5 years" (Haug and Tauch, Trends III, p. 45).

"Until now the relationship between ministry, university and faculties seems to be unchanged compared to the Hagelund Report. In theory the ministry is only responsible for the number of staff positions at the universities. The appointments are up to the universities and not to the ministries.

"The structure is still very centralized, especially where finances are concerned. The universities are divided into faculties and the faculties into departments.

"Important is the creation of a new institution on the basis of the law of 1999: the Conference of Rectors (of the 8 universities). This is one of the most important bodies in Higher Education and coordinates the relationship between the universities and the ministry" (Kaser Report, p. 3).

Bosnia and Herzegovina

"There are at least 12 Ministries of Education in BiH: the RS; the Federal Ministry (FMoE, see below); and 10 cantonal Ministries, in some of which (the 'mixed' cantons) there are essentially two parallel administrations" (OECD Review: BiH, p. 12).

REPUBLIC OF SRPSKA

"Higher education is organized in a unitary two-tier system with universities as the only higher education institutions. Within the universities there are faculties, colleges and pedagogical academies" (Haugh and Tauch, Trends III, p. 45).

Croatia

"The higher education system of Croatia comprises 4 universities and 16 polytechnics (colleges). The University of Zagreb is the biggest in the country with 32 faculties and over 60 000 students. However, the concept of 'higher professional schools' (*visoke strucne škole*), introduced as a parallel system to the universities in 1998, is not clearly understood by parents and students and should be analyzed more carefully in the forthcoming years as an alternative tertiary education option" (OECD Review: Croatia, p. 26).

"Higher education is organized in a binary two-tier system: there are 4 universities and 7 polytechnics offering academic and professional studies, respectively, on a 'superior' tertiary level. Their programmes are divided into an undergraduate and a graduate level. In addition there are schools of higher education, either as independent institutions (there are 8 of them) or integrated into universities, offering 2-4 year professional programmes" (Haug and Tauch, Trends III, p. 46).

"The overall structure of the system of higher education is rather unbalanced. It includes 4 universities and 18 non-university type of institutions (vocational polytechnics). Out of these, University of Zagreb accounts for over 60 percent of enrolled students, 70 percent of research outputs and 60 percent of teaching staff. Most of the academics in the country would consider that Zagreb University plays also a leading role in whatever may happen in the higher education system. Most of the rest will be trying to copy, for good or for worth, what is going on there in the University of Zagreb. Such a view comes mostly from Zagreb University. The other higher education institutions seem to be striving for asserting their own way of being" (Purser and Vlăsceanu Report, p. 4).

FYR of Macedonia

"Higher education is organized in a two-tier system that has been unitary until now, with the two state universities as only providers of higher education" (Haug and Tauch, Trends III, p. 49).

"2 state universities (Skopje and Bitola), 31 faculties, and 1 private university (SEE University at Tetovo, active since the winter semester 2001/2002).

"Higher education is organised in a two-tier system that has been unitary until now. Also the teacher training is attached to the universities (Pedagogical faculties).

"As already mentioned, the real power is on the faculty level, also the budget is attached to the faculties. The faculties decide all relevant issues.

"The organs of the faculty are [the following]:

i) "The Teaching-Scientific Council; is composed of docents, full and part-time professors, elects and removes the dean and the vice deans for a period of 4 years.

ii) "The Faculty Management Board, consisting of the dean, the vice deans, heads of units and students representatives.

"The organs of the university are:

i) "The Senate, composed of representatives of all teaching/scientific units. Only professors can be elected. The Senate elects a president. The rector and the vice rectors is elected among the full professors for 4 years.

ii) "The University Management Board is composed of the rector, the vice rectors, the deans and the representatives of the students" (Kaser Report, p. 9).

FR Yugoslavia

SERBIA

"There are five universities in Serbia with about 208,000 students enrolled (2000/2001). In 1998, the distinction between full-time and part-time was abolished, and a new classification was introduced, based on source of student financing: 'budget-finance' students (full- or part-time) and fee-paying students, *i.e.*, students who pay the full cost of their education (full- or part-time)" (OECD Review: Serbia, p. 7).

"Serbian higher education is structured in a unitary two-tier system and is offered at universities and research institutes" (Haug and Tauch, Trends II, p. 52).

"Private higher education institutions are already present in the system. Three private universities and two faculties are functioning according to the permission of the previous system. They will be kept untouched until a national accreditation system will appear. They have to be investigated then for quality and their license will also depend upon the fulfillment of the requirements set by the accreditation board" (Frenyó Report, p. 27).

Kosovo

"UNMIK created a department in June 2000, called Department of Education and Science (DES), which comprises the entire education – including higher education – system in Kosovo. The head of the department, called International Administrator, is the one who is responsible for the governance of the University of Priština (UP) as well" (Frenyó Report, p. 2).

"The UP is a monolingual Albanian university.

"Finally a decision has been made just recently about the recognition of a Slavic language university in Northern Mitrovica, which is going to be called Northern Kosovo University. They will even have their interim Statutes within weeks" (Frenyó Report, p. 3).

"A fundamental structural change, which provides ground for a new kind of university mentality, is that the university is a sole legal entity having subdivisions (*i.e.*, Faculties or other units) without separate legal status.

"That new structure promotes cross-disciplinary approaches to teaching, learning and research, by bringing the faculties closer to each other. The structure also provides a more efficient and effective use of resources" (Frenyó Report, p. 4).

"Within the new ministry (which is going to act as soon as a new government will be established) there is a higher education section under the major unit of Education. The

higher education unit consists of 5 major departments such as University, Academy, Research, Institutes, and Technology.

"The Central Administrative Service of the ministry has a fine structure decentralizing the tasks between several subunits, such as: Budget-Planning-Finance, Internal Services, Human Resources, Education Outreach and Communities, Infrastructure, Information and Public Relations. The university related matters of the Central Administrative Services of the Ministry could be communicated towards the university management through the Higher Education unit of the ministry" (Frenyó Report, p. 8).

"The principal management authority of the university – according to the new law – is the Rector of the university. The rector is fully accountable to the Board, however the Rector shall report to the central authority (the ministry eventually) in case of any action of the Board of Governors constitutes an improper use of public funds.

"Under the direction of the Rector a new Central Administration of the University of Priština has been worked out. International experts tried to adjust the structure to the needs and created the model. The model is not part of the Statute, yet in order to have a flexible system, which can be subject to necessary changes, the university appointed a highly professional leader to be the Secretary General as the leader of the Central Administration.

"One of the most important conditions of an effective way of operation is a reliable management information system, that the university does not have yet. Dependable statistical data, system of providing the necessary facts and figures by the many different units of the university to the center are poorly developed, but under a considerable progress. There is a national Education Management Information System (EMIS) project already designed, but it focuses mostly on general education first" (Frenyó Report, p. 8).

MONTENEGRO

"The Senate comprises 39 members elected from the representatives of all faculties, representatives of the founder - the Government of Montenegro (9) and representatives of students (7 members). In the Senate, rector and vice-rectors take part in sessions, whereas they do not have voting rights - highest managing authority.

"The Council for Curricula and Research Policy comprises 30 members nominated as the rector, four vice-rectors and representatives of all University units, each unit being also represented from each of their departments, if any. This is the highest authority for curricula and research policy" (Zecevic and Hummer Report, p. 1).

"More than 20 units of the university enjoy the status of legal entities, coordinated however by a uniform management system, maintained by the executives (rector and 4 vice-rectors). So the Montenegrin University is a mixed system having a rather centralized budget control upon those legal entities. The new higher education law does not intend to change that structure.

"There is room for private higher education institutions in the new law, the plan however is to set the prerequisite to have a minimum five disciplines offered and a minimum of 3 thousand students in order to establish a private university" (Frenyó Report, p. 18).

2.3.4. FUNCTIONING OF THE MANAGERIAL STRUCTURES

Albania

"The University Act (1999) defines the institutional landscape with the Ministry of Education, state and private educational institutions, the Rectors' Conference and the National Accreditation and Quality Assurance Institute. There are rules concerning the election of leaders (Rector, Deputy Rector, Deans, Heads of Department), about governing bodies, budgets, personnel, students and studies and the division of competence between the Ministry of Education and the local

leaders and bodies. Academic freedom and the autonomy of the institutions in certain areas receive explicit mention.

"Concepts such as the study council and Director of Studies are not to be found in Albanian university legislation. The powers embodied in these organs in Denmark are placed at faculty level in Albania. The Act empowers the Ministry to lay down further rules in certain areas, *e.g.*, admission" (Hagelund Report, pp. 8-9).

"Admission to universities. Each year the Ministry of Education lays down the number of places following negotiations with the institutions. [...] All deadlines, procedures and other rules are described in detail in ministerial directives, and all activities are monitored by ministerial officials.

"[...] the rules give Prime Minister and the Minister for Education the right to grant a study place to as many as 50 persons, bypassing the competition" (Hagelund Report, pp. 10-11).

"Employment at universities ...

"The appointment procedure is one of the areas of competence that has now been decentralized to the faculties. There is no Executive Order on appointments as in Denmark, but the rules concerning public appointments also apply to the universities. Positions are publicly advertised and the departments receive applications. The Department Board appoints an evaluation committee consisting of a number of permanent teachers who are supplemented by a representative of the Rector's office and a representative of the Dean's office" (Hagelund Report, p. 12).

Bosnia and Herzegovina

"Levels of education governance: Four. (*i*) State (BiH); (*ii*) Entity (RS and Federation); (*iii*) canton (in the Federation only); (*iv*) municipality. RS is more centralised than the Federation, which has 10 cantons each with its own Ministry of Education" (OECD Review: BiH, p. 8).

"Dayton excluded the FMoE from an active and explicit role in education, by legally transferring nearly all authority for education to cantons and by the decision to finance education through canton-level tax revenue. The FMoE does have implied authority (under Dayton) to execute canton education responsibilities where canton authority has not been implemented. However, in practice, FMoE attempts only to perform a co-ordination role, and has influence only in Bosniak-majority areas. Explicit canton mandates to delegate significant responsibility to the FMoE have not been forthcoming from Croat or Bosniak-majority areas. The FMoE has attempted to retain a role by referring back to the Constitution, which states that the Federation's mandate emanates from its role of safeguarding human rights, but without financial leverage or administrative authority this is only symbolic" (OECD Review: BiH, p. 12).

"On the one hand, Republika Srpska, through its central Ministry, manages a single university for the Republic component. On the other hand, the ten cantons that form the Federation do not have a Ministry of sufficient authority to co-ordinate Federation higher education as a single entity. Although each canton has the power to open higher education institutions, not all exercise this right" (OECD Review: BiH, p. 38).

"The Co-ordinating Board, consisting of equal numbers of Bosnian, Croatian and Serbian members, has the aim of focusing higher education as a state-wide responsibility. And, although the Rectors of the universities endeavour to meet, this group has not yet achieved the mutual understanding required to make it a force for change" (OECD Review: BiH, p. 39).

Croatia

"In Croatia governance of the tertiary level is the responsibility of the Ministry of Science and Technology (MoST), while the Ministry of Education and Sport (MoES) is ultimately responsible for the pre-tertiary level. The MoES is responsible for drafting legislation, defining the curriculum for all schools,

approving textbooks, appointing head teachers, approving the number of pupils and school budgets, and settling all payments, salaries, material costs, and capital expenditures except those met by local authorities.

"Contacts between the different departments of Government are limited; this is particularly evident between the MoES and the MoST. Although a working group has been set up, there is little or no contact on strategy or policy. The problem is that there is no mechanism for putting together the pieces so that an overall view of the system, its development and reform can be achieved. Yet a properly functioning education system must have coherence between the primary and secondary schools and higher education. In addition such issues as informal education, continuing education, post-secondary education outside formal higher education, and lifelong learning have not been seriously addressed so far" (OECD Review: Croatia, p. 6).

"The lack of focus for the whole system means that the roles of various authorities at both the national and regional levels have not yet been fully defined; this creates substantial problems in decision-making both for priorities for public funding and the operational consequences of that spending. The decision by national educational authorities to shift more responsibility to regional and local authorities is considered difficult to implement, because 'they are not equipped to carry out the tasks'" (OECD Review: Croatia, p. 8).

"This sector [higher education] of the system is the responsibility of the MoST. At the national level, important policy matters are also discussed at the National Council for Higher Education (NCHE) that comprises representatives of the Higher Education Institutions (HEIs), the MoST and other state institutions. There appears to be little or no contact on strategy between the two ministries. At the institutional level, a working group already functions but the effects on the system have yet to be seen. Higher education institutions are nominally autonomous since the control function belongs to the MoST. Staff is appointed by the MoST, and the financial resources for each university faculty come directly from the MoST. Therefore,

true institutional autonomy is a questionable issue, and modern management practices are lacking. As a result, a university encounters many constraints in pursuing its own policy. (In Croatia, the Higher Education system suffers from centralised management, although in some other countries, higher education was the pioneer in decentralisation)" (OECD Review: Croatia, p. 26).

"University still remains a federation of autonomous faculties. The Rector's Office has a very small number of staff, mostly focused on university international relations, and no financial or strategic administrative personnel. The Rector is more of an academic symbol, with no important decision power regarding the faculties organization or functioning. The faculty deans are in direct contact with ministerial bodies, needing approvals of staff appointments and of uses of funds. Financial autonomy of higher education institutions does not exist as such.

"A ministerial office does not seem to be different from that of a rector. For almost a year there has not been appointed a deputy minister in charge of higher education. [...] The Council on Higher Education includes academics and disposes of no administrative staff assistance and of no thorough analyses of the system. The meetings are rather occasional, and the Council makes mostly ad-hoc decisions. This is a rather critical situation, when considering that the Council is expected to propose strategies and also to be responsible for advising on such important matters as quality assurance" (Purser and Vlăsceanu Report, p.3).

FYR of Macedonia

"Inter-sectoral co-ordination. The MoES is solely responsible for education and training. Other ministries or local public administration, social partners, and NGOs are completely absent in the definition of policies at central level and of actions at local and school level" *(OECD Review: FYROM, p. 38).*

"The Ministry is the sole responsible for education and training. Other organizations are absent in the definition of politics at central level" *(Kaser Report, p. 9).*

FR Yugoslavia

SERBIA

"Ministry: - Ministry of Education and Science: reigns on a centralized system; controls schools.

"Universities and arts academies/Non-university higher schools or colleges: lost their independence in 1998. Universities are often 'just a mere umbrella organization of faculties'.

"Rector: At present, the Rector has to deal with organizational issues that seriously jeopardize his/her academic role" (The Desired University, p. 5).

"There is very little autonomy or local management at the level of schools, particularly in the teaching field. The curriculum, regulations related to study programmes, and the control-type of inspection create a system in which teachers' work is almost totally externally regulated" (OECD Review: Serbia, p. 31).

"Student unions and other stakeholders have had little or no influence in reforms since 1998" (OECD Review: Serbia, p. 41).

"The new Ministry of Education and Sport, responsible for higher education too, is trying hard on substantial changes, but due to the above mentioned complexity of the system, and the tremendous resistance against more fundamental changes make the ministry rather careful about shockingly new reforms" (Frenyó Report, p. 26).

"The ministry would like to establish National Higher Education Council, which will provide a framework for higher education management. Working Groups are organized under the Council covering three major areas such as a) General Framework for state and private higher education (aim is the drafting the new law on higher education); b) Governance, Management and Financing (aim is the drafting the law on State Institutions); c) Academic System – faculty, staff and

students (aim is defining framework for Statutes). Following all these tasks, the Council would remain as a supervisory body, and probably like a buffer organization. It could help to establish a new type of relationship between the ministry and the universities" (Frenyó Report, p. 28).

"Decision making process: decision making bodies and areas of competence; factual information availability and decision-making.

"As it has been already mentioned the central decision making mechanism was dominating the whole system of higher education. The involvement of the government in almost every decision making process of the university created a tight state control. That is going to change with the introduction of the Interim Law, since the state is somehow pulling back to a rather supervisory role. However, it still maintains the government presence (through ministry's appointments) in certain bodies mostly related to the overall management of the universities and faculties, since the major financial supporter of the higher education is still the state.

"Institutional level decision-making has to be divided into two parts, the university level and the faculty level process. Faculties also have their internal structure in every university system in Europe, but their structure is a part of the whole university establishment. While in the Serbian construction, the faculty level decision-making has very limited relationship with the bodies of the university.

"The modified construction of University level decision-making (which is going to be described by the Interim Law) consists of the Education Council (also called the University Council), the Managerial Board and the Supervisory Board. The Rector is present in each of them, but he mainly has a preparatory and coordinating role, and certainly does not have executive power.

"The Educational Council consists of all the Deans of the Faculties as well as the Rector and Vice Rectors. The major competencies are relating to academic issues. It approves the Statute of the Faculties, any curriculum changes suggested by

the Faculties, determines university level academic and research programmes. Also participates in the election of the Deans, appointments and promotions, etc. (Dean's appointment however has to be confirmed by the Managerial Board). The role of overseeing and approving any curriculum changes and research initiatives will provide a ground for influencing the requirements and standards in relation to teaching and research. That will also allow a university level survey of the actual status of implementation of any university level changes. The decision making process is mostly a consensus based one, which is very democratic, while inefficient though.

"The Managerial Board consists in 20 percent members appointed by the government, 10 percent students and the rest are delegates of the faculties or institutions. It confirms the appointment of the Deans, passes the university statute, and approves the budget plan, the annual work plan, and any other proposals presented by the Rector.

"The Supervisory Board has also members appointed by the government, since the tasks of that body are largely relating to supervision of legality and control of the fulfillment of the financial plan and approval of the final report of the yearly university activity.

"The Rector, with the Vice Rectors (including Student Vice Rector, who is a student himself/herself) prepares proposals for the above bodies and represents the university on the highest level. Again, the Rector does not have executive power.

"The above decision-making structure applies to the Faculties too, except that the Dean of the faculty has a rather executive power. The names and competencies of the bodies otherwise are identical with the ones mentioned on university level. The direct presence of the government on Faculty level is obvious as the financing of the individual Faculties is also directly coming from the ministry.

"As for their curricula, it has to be approved however by the university Senate (Board).

"Due to the given structure (university is a loose confederation) there is no way and mechanism of a university wide strategic plan, institutional development plan to be elaborated. The recognized necessity of adapting to the Bologna scheme and ECTS however will hopefully stimulate university faculties to create joint development plan. The evaluation given by the European University Association and the contribution of other international organizations may also stimulate that process" (Frenyó Report, pp. 28-29).

Kosovo

"All Kosovo-wide education governance and management functions are the responsibility of UNMIK/DES, with a central office in Priština, and regional offices in Priština, Mitrovica, Gjilan, Peja, and Prizren. All teachers' contracts, for instance, are signed directly with UNMIK/DES. The intention is to devolve responsibility (including fiscal responsibility) for education as much as possible to the 29 municipal authorities" (OECD Review: Kosovo, pp. 11-12).

"The higher education system is administered at three levels: Kosovo, University, and Faculty or School level. At the Kosovo level, the decree governing higher education calls for a National Council of Higher Education, but this has never been established.

"According to the Draft Interim Statutes of the University, the principal organs of the University are the Board and the Senate, both of which exercise their functions on the principle of majority voting. The Board has the power to establish other organs, committees and commissions with specific duties. Each sub-unit (*e.g.*, Faculty, Higher School, or Institute) is an integral part of the University and no unit may have any form of independent legal personality. The chief academic and administrative officer of the University is the Rector, who is responsible to the Board for the workings of the University. The Rector is selected by the Board from among Professors of the University nominated by the Senate. The appointment is for a period of four years, renewable once.

"At Faculty and Higher School level, the governing body is the Faculty or Higher School Council. The chief executive officer is the Dean or Director (depending on the type of sub-unit)" (OECD Review: Kosovo, p. 33).

"DES has a crucial role in the reestablishment of the higher education system as well. The International Administrator (IA) is a key figure of governance of the UP, who on the other hand is very actively trying to get the local university leaders involved right from the beginning of his function. Also UNMIK was keen to have Kosovar political figures involved in the restructuring process, so until very recently there was a co-head of the DES, who was a political party appointee. (The co-head stepped down due to the recent general elections)" (Frenyó Report, pp. 2-3).

"So far the DES largely acted as a kind of ministry. There have been general elections already in December 2001, bringing the system closer to a desired one. 26 parties were running for mandates. More than 82 percent of the votes are related to three, more than 90 percent to four parties. The problem is still that there is no agreement yet about the coalition, which prevents them to create a government. That is why the Ministry of Education, Science, and Technology, which already has the fine structure, worked out by the UNMIK cannot be put into function)" (Frenyó Report, p. 3).

"The act sets also the system of accountability for the university, which works through the Board of Governors, who shall be fully accountable for the central authority (in the near future to the Minister) for the proper and efficient use of funds" (Frenyó Report, p. 5).

"The rights and responsibilities of the ministry (as central authority) are detailed in the new law, as well as the similar set of functions of the university (as knowledge provider).

"The reality on the other hand is that as long as the new Kosovar government can not be established, the UNMIK has ultimate leadership on the university, however intensively preparing the ground for the university to take over more and more responsibility and adapt to a high level of accountability

in order to receive higher degree of freedom for institutional actions.

"The university considers its relationship with the central authority (which is currently the UNMIK DES) rather centralized, but knowing the announced goal of the DES, a predictable decentralization can be expected right after the Higher Education Law is going to be in function.

"At university level, the new structure of institution, taking away the legal status of the units (Faculties, High Schools, etc.) led to a formerly unknown centralization. The establishment of the central administration can make the contact between the center and the periphery more efficient in the long run (mostly in case a good management information system will function), but currently some units – mainly the one located outside of Priština – feels that the system is too centralized, and there is not enough communication among each other. They are certainly most interested about some financial decentralization, but even concerning academic matters they would like to have a rather regular flow of information and frequent feed back, in order to make the relationship more efficient and collegial" (Frenyó Report, pp. 5-6).

"The decision making process is well regulated in both the central as well as institutional level. The center means yet the Department of Education and Science of the UNMIK, it will soon be however the Ministry of Education, Science, and Technology.

"The DES is the largest department of the Joint Interim Administrative Structure of the UNMIK. It takes care of the entire education system of Kosovo including higher education. Major policies, system level strategic decisions are being formulated in the DES. In addition to the different sections of the DES, the so-called Lead Agencies (the most active international agencies) are acting on behalf of the DES and have an important role in the implementation of the key reforms" (Frenyó Report, pp. 5-6).

"The decision-making bodies of the university as well as their competence is well presented in the new law on higher

education as well as in the Interim Statute. The UP has already adopted the Statute and it is in effect since 1 October 2001.

"The principal governing authority is the Board of Governors, which is an administrative board having certain executive power. Although the new law determines that not more than one-half of the membership shall be appointed from among representatives of different stakeholders by the central authority, the current statute does not provide room for external members. It consists of 9 members mostly from senior academic staff, and the Secretary of the university as secretary of the board.

"The Board has responsibility on: planning and determining mission of the university (upon the proposal of the Senate), the appropriate use of resources, making financial plan and looking for adequate resources, appointments, assignments, grading, appraisal, dismissal, etc.

"The Board has to keep records of financial transactions, delegate authority over resources and certain administrative matters to Faculties, High Schools, and other units, arrange financial audit. The Board also ensures that the academic staff has freedom within the frame of the law, and has equal opportunity.

"The Senate is the highest academic body of the university. The members are the rector, pro-rectors, deans of the faculties and directors of high schools and other units, one member elected by and from the academic staff of each units, five members elected by and from the students, one member elected by non-academic staff and up to seven non voting national or international experts" (Frenyó Report, p. 6).

"The Senate is responsible for general issues of teaching, research, scholarships, admission criteria, procedures and policies for assessment and academic performance, curriculum issues and quality assurance, to award qualifications and titles, policy for protection of the intellectual properties, etc.

"The Senate may appoint committees. Beyond it has a standing committee called Policy and Planning Committee with

the participation of deans and directors of high school and other units.

"Each Faculty shall have a Council. The members are: the dean, vice-deans, the professors of the Faculty, a number (determined by the Senate) of other academic staff, and a student representative.

"The Faculty Council shall advise and make proposals to the Dean on all matters relating to the Faculty and responsible for student progress. It also provides recommendation to the Senate, through the Dean, for any curriculum issues, teaching methods and other academic matters.

"Each High School has High School Council, with similar composition and responsibilities as the Faculty Council.

"The Rector is nominated by the Senate from among the professors and elected by the Board for four years, renewable once.

"The Rector acts as CEO of the university and fully accountable to the Board.

Two pro-Rectors are also appointed by the Board, upon recommendation of the Senate, from among the professors. The Rector determines their duties.

"Deans, Pro-Deans, Directors and Pro-Directors of the High Schools are appointed by the Board on the recommendation of the Senate as advised by the Council of Faculty or High School.

"Deans and Directors are responsible to the Rector.

"(There is no Student Vice-Rector as it is the case in all other universities of the FRY).

"As it has been mentioned before the greatest change in the university structure was the termination of the legal entities of the Faculties and creates a uniform university governing and management system" (Frenyó Report, p. 7).

MONTENEGRO

"Ministry: - Ministry of Education and Science: in charge of education policy.

"The Council for Curricula and Research Policy: plays a very important role as the highest authority for curricula and research policy.

"The University of Montenegro is legally autonomous, but is funded mainly from the state budget" (OECD Review: Montenegro, p. 38).

"The University of Montenegro comprises 22 units, each of these being independent legal entities coordinated by uniform management policy initiated and conducted by the function of the rector and four vice-rectors (including student vice-rector) as executive body and the Senate and Council for Curricula and Research Policy, as policy-making bodies" (Zecevic and Hummer Report. p. 1).

"The government has indicated that the university is fully involved in preparing legislation, and that it supports the proposed legislation" (OECD Review: Montenegro, p. 15).

"The central level decision making mechanism is already well regulated through the authority of the ministry in all those issues, that will be emphasized by the new law. The appropriate department of the ministry keeps the contact with the university" (Frenyó Report, p. 19).

"Within the ministry there are three major sections relating to higher education. One is a Sector for Education and Pre-University level (indirectly related to HE), the other is Sector for Science and University and the third is Sector for Administration and Logistics" (Frenyó Report, p. 20).

"University level decision-making is in the hand of the Senate and the Council for Curricula and Research Policy.

"The Senate means at the University of Montenegro something, that is usually called in other higher education system as board. That is the main authority in the field of management, financial issues, enrollment, establishment of new faculty, appointing rector, vice-rectors and general secretary, etc. The Senate has external members appointed by the government, as well as students and academic staff. Some document mentions a uniform one third ratio for the entire three categories, but in reality there are 9 people appointed by

the government and 7 students (the total number is 39). What is going to be new about the composition of the Senate is that the university would like to downsize it, having the number of the members somewhere around 9 to 15 as the maximum. The new size of the Senate is going to be built into the Statute, which is still under preparation. They hope to get it done by the end of March 2002.

"The Council for Curricula and Research Policy is the main body of all the academic issues. Among the 30 members there is the rector, the four vice-rectors, and representatives of all units.

An unusual position is the Student Vice-Rector, who is also an appointed person just like any other Vice-Rectors. That system is however known since long time all over in Yugoslavia. It is eliminated however in the draft of the new law. Students disagree with that plan, but it turned out that they do not mind to loose the term, but would like to keep the function. The student vice-dean was responsible for all the curriculum related academic issues for the entire student body of the university. That is the function they would like to keep.

"On the Faculty level there are also two decision making bodies, the Faculty Council, which serves like the senate (board) of the Faculty (having 1 representative of all units), and the Academic Council in which every teaching staff are involved.

"As it has been already mentioned, the Faculties are fully competent to prepare any changes concerning their curricula, it has to be approved however by the university Senate (Board) (Frenyó Report, p. 19).

2.3.5. UNIVERSITY AUTONOMY AND ACADEMIC FREEDOM

Albania

"The situation in higher education Albania is characterised, as in the states of former Yugoslavia, by a traditionally very strong autonomy of faculties vis-à-vis the university rector" (Haugh and Tauch, Trends III, p. 45). However, one may say

that there is a wide academic freedom for university teachers, while centralising trends are still in place.

"University autonomy does not yet exist in financial terms. As already mentioned the University is free to choose its staff, the number of which is limited by the ministry" (Kaser Report, p. 3).

Bosnia and Herzegovina

"The faculties enjoy a very strong degree of autonomy within universities" (Haugh and Tauch, Trends III, p. 45).

"University autonomy seems to be one of the most important issue of concern. Infringements are rather numerous, both intentional and unintentional. The former (*i.e.*, intentional infringements) are induced by factors like: the local élite is not large at all and many of its members come from the university, resulting a mix of academic and political élite personified by almost the same people; those dominant in politics want also to control universities, sometimes directly by imposing certain political views or nominating in a board academics with certain political views or by including law provisions which ask for political affiliation, and some other times indirectly, by marginalizing or promoting certain academics. University autonomy is in some cases a legal matter, which is to be further debated, while in other instances, more numerous, a matter which need be transposed in reality" (Purser and Vlăsceanu Report, p. 5).

Croatia

"The proposal for a new Higher Education Law, which was to be adopted by the end of 2000, includes proposals for greater faculty autonomy in terms of finances and management and for the introduction of tuition fees and mechanisms for quality assurance" (Haugh and Tauch, Trends III, p. 46).

FYR of Macedonia

"The new law [adopted in 2000] provides for a new legal status for higher education institutions, affirming their autonomy,

offering the possibility to establish both state and private institution and introducing new recognition procedures in accordance with European standards etc.

"The faculties that enjoy a very high degree of autonomy offer postgraduate programmes of 4 to 6 years, plus doctoral studies. Their level is the same as that of universities, but they offer fewer programmes, often with specialisations" (Haugh and Tauch, Trends III, p. 49).

"The law defines 'University autonomy' as 'the academic freedom, the academic management and the undeniability of the autonomy' (Art. 2)" (Kaser Report, p. 9).

FR Yugoslavia

SERBIA

"The University Act of June 1998 had abolished any kind of university autonomy. After the democratic changes that took place in October 2000 and the elections in December 2000, the new government is now drafting a new provisional University Act. Amongst other objectives it will mandate the revision of all appointments and expulsions that occurred under the act of 1998" (Haugh and Tauch, Trends III, p. 52).

"A new legal framework for higher education has been proposed providing for university autonomy to be restored, and this is expected to be passed by Parliament as one of the first pieces of legislation of the new Government" (OECD Review: Serbia, p. 42).

"The current university autonomy exists undoubtedly within a strictly prescribed framework. Whatever is not spelled out in the law is determined by bylaws, so not much remains for university constitution. The law gives all details about the structure and function of the universities as well as the faculties. The appointment system is also highly influenced by the government.

"On the other hand, the faculties have a great deal of autonomy within the university. So the university has very little authority over faculties, especially in financial matters. It seriously affects the organization and the quality of teaching

too, since no university level authority on eliminating the redundancies or forcing a more efficient use of all kind – including intellectual – resources. The single territory, which remains for university are, the interdisciplinary programmes, which must be organized and coordinated on a university level.

"Apart from all these, curriculum related issues, etc., are in the hand of the faculties, and will not be approved by the government any longer after the Interim Law is accepted.

"Academic freedom therefore does not seem to be altered, largely applied assessment system however is missing, so quality assurance is something yet to be developed and implemented.

"Irrespective of the internal (intra-university) conflict due to the unbalanced power between the university and the faculties, the higher education sphere as a whole seeks for more – almost absolutes – autonomy, while has very little concern about accountability. The notion of the necessity of having a transparent and accountable system will come with a higher degree of institutional autonomy. That needs a fine balance between the government and the universities. There is a hope, that by the time a real reform law on higher education is prepared (which is expected in 2003 or 2004), a healthy model of highly autonomous but fully accountable higher education will be developed, having a new relationship with the government, whose mission will rather be providing legal control and highly coordinated service for higher education" (Frenyó Report, pp. 26-27).

Kosovo

"The situation in Kosovo is characterized by the Interim Statute that was introduced within the UNMIK system in October 2000. At present the executive power in higher education matters lies with the International Administrator who is also co-head of the Department of Education (or Ministry). The Interim Statute aims at restoring autonomous governance at the University of Priština" (Haugh and Tauch, Trends III, p. 52).

"The University of Priština, the only university of Kosovo (having units in different locations), enjoys limited autonomy at the moment, since the UNMIK is still in the process of working out all the conditions for the university to have reasonable autonomy combined with solid accountability. The new law however stresses the importance of the autonomy of the university, the freedom of teaching and research without interference from public authorities, other than the legal supervision provided by the law. It also emphasizes academic freedom, what has to be spelled out in the statute too, providing freedom for the academic staff to put forward new ideas and controversial opinions without having any negative effects on their jobs or privileges. The same applies for the freedom to publish, taking into account of course the intellectual property rights too" (Frenyó Report, p. 4-5).

"As for the internal university situation concerned, autonomy has to further develop the direction of keeping political influences out of the university. Strengthening the notion and practice of academic freedom, combined with an increasing transparency and accountability, will create a strong academic autonomy of the university allowing a fair independence from any government to come.

"Faculties and other units (*i.e.*, High Schools) of the university consider themselves acceptably autonomous concerning their academic decisions (curriculum issues, development programmes, etc.), complaining however that the lack of any financial autonomy is seriously reducing their flexibility" (Frenyó Report, p. 5).

MONTENEGRO

"The University of Montenegro comprises 22 units, each of these being independent legal entities coordinated by uniform management policy initiated and conducted by the function of the rector and four vice-rectors (including student vice-rector) as executive body and the Senate and Council for Curricula and Research Policy, as policy-making bodies" (Zecevic and Hummer Report, p. 1).

"Government appointed people are present in the highest managing authority of the university (the Senate), but academically the university enjoys a great deal of autonomy. Curriculum related issues, etc. are in the hand of the faculties, but approved on a university level.

"Academic freedom does not seem to be altered, assessment system however is not widely introduced, so quality assurance is something yet to be developed and implemented" (Frenyó Report, p. 18).

2.3.6. ISSUES OF CONCERN

Albania

"*Need of reform.* Like other areas of education, it needs substantial change. The universities are poorly equipped and many are very backward in research; postgraduate studies are under-funded; there is little or no involvement in vocational areas; and quality assurance is poor, though this is being tackled" (Gabrscek and Dimc, Bled Seminar, p. 85).

"*The brain drain:* Even families with breadwinners in good jobs leave the country, justifying their choice by saying that their children are not going to grow up in Albania. Young post-graduates who have spent some time as Master's students in another country often remain there when they have completed their studies. Others go to Greece and Germany where they can work more or less legally for a time and save money or send it home to their families" (Hagelund Report, p. 7).

"*Legislation*: The first University Act that entered into force in 1994 and in 1999 was replaced by a new Act which, due to recommendations etc. from foreign experts, has much in common with, for example, the Danish University Act.

"[...] While there can be no doubt about the expertise and good intentions of these advisers, as there has been no real legislative process up to now with public hearings or incorporation of representatives of the interested parties, this Act, like so many others, seems abstract and remote from reality.

"[...]This is why the contemporary Western principles concerning target-oriented and framework management contained in the University Act are not having the intended effect. The former centralist top-management model is still firmly in place and the superior authorities hold on to power while it is difficult for the subordinate bodies to take the initiative to exploit possibilities for autonomy. The financial situation in the universities is a good example of this" (Hagelund Report, pp. 8-9).

"*Co-operation*: At present considerable resources are allocated in Western Europe to support social development and capacity building in Eastern Europe. ...Western universities also have access to these funds and can in this way benefit both themselves and their cooperation partners in Eastern Europe. The explanation as to why so relatively few have appeared on the Albanian scene may be that Western universities have enough problems of their own or that Albanian universities lack capacity to receive support and to participate as equal cooperation partners" (Hagelund Report, p. 15).

"[One] should be aware of the quite different mentality and cultural background and of the existence of practical difficulties that one does not normally encounter" (Hagelund Report, p. 19).

Bosnia and Herzegovina

"Issues and barriers in higher education

- "Fragmentation of higher education. Partly due to the greater autonomy of departments during decades under SFRY, fragmentation of higher education is a tradition in BiH and the Washington Agreement encouraged ethnically based fragmentation even further. Mostar East and Mostar West as well as Banja Luka University and other smaller universities (*e.g.*, Bihač and Zenica) and higher education institutions all lack the capacity and resources to reach the necessary academic standards. The smaller universities are the most affected. This fragmentation of institutions and the lack of a

mechanism for the measurement of standards will be damaging to the long-term development of higher education. Although the Agreement provides for the possibility of making higher education a Federal responsibility, and is increasingly seen as the most realistic approach, cantonal pressures to retain complete autonomy remain strong.

- "Governance, comparability, and financing. Even though there are seven universities, they are each rather loose associations of autonomous faculties which operate more or less separately with little control over standards, and no system to test compatibility across faculties or universities. The Co-ordination Board is too weak a structure: co-ordination cannot work if what is to be co-ordinated are the individual decisions of as many as ten ministries and seven universities.
- "Universities share many common problems: in general, they are not long established, need to have the legislative strength to manage finances, appoint staff, purchase equipment and to "make good" damaged and under-maintained facilities. Many professors are returning refugees, without housing and little support to begin teaching again. Free accommodation in lieu of salary is one possibility mentioned. There needs to be support for faculty exchanges with other countries. There is a dearth of textbooks that need to be written to encompass both new philosophical directions and in areas of growing demand such as economics. Affordable translations of textbooks that exist in other countries could be encouraged, even though their price could still be high by BiH standards. There is considerable need for new blood in higher education, and particularly young people with a more modern perspective to take their students outside the narrow confines of thinking that have long been part of the ethos of the country.
- "From words to action. Although the majority of staff expressed a willingness to work with other ethnic

groups, current structures, and past practice all act against it. Much outside support from academics from other countries (in particular, systematic collaboration with other European academic communities) is needed to make it clear just what a modern university should be. The fragmented structures that currently exist are no basis on which to build a modern university.

- "The existence of the two entities - the Republic and the Federation - makes it difficult to achieve an overall vision for higher education for the whole country. A single body, *e.g.*, the present Higher Education Council for BiH (HECB) in an expanded role as recommended below), should review the needs of the whole country, not just of the Federation, or of the Republic. In the current context this is probably not achievable and hence two such Boards, one for the Federation (see above) and one for the Republic, is perhaps the best that can be achieved. If so, the whole country will be the poorer, and it will take even longer for the two entities to achieve what each is striving for: European standards and compatibility" (OECD Review: BiH, p. 40).

REPUBLIC OF SRPSKA

"Conclusions and Issues of Concern

- "Bologna Declaration is for academic leaders and some policy makers, though the least for parliamentarians, the new reference framework. However, at this stage, one may identify a rather superficial understanding of its provisions. What is important beyond any doubt is that Bologna Declaration offers the chance of escaping from any form of parochialism and of striving to become fully and truly 'Europeans'. It is also acting as a common ground and reference for carrying on discussions in the Higher Education Coordinating Board (HECB) within the entire system of higher education of Bosnia and Herzegovina. Institutional structures may be shaped out along the lines proposed by the Bologna Declaration, and

its provisions regarding issues like curriculum development, quality assurance, recognition of qualifications and inter-institutional co-operation within the European Higher Education Area may generate a constructive movement with certain outputs. This being the case, it seems important that in our programme implementation emphasis should be put on the provisions of the Bologna Declaration and on the European process that is emerging.

- "Synergies and complementarity with TEMPUS project and also with the World Bank programme must systematically built in in the process of implementing our programme. This is of particular relevance to the component on strategic management and policy making, but also when designing all our activities by putting the emphasis on concrete actions to be undertaken at system and institutions level.
- "Underfunding, academic values specific to a culture of complacency, and strongly rooted traditions are the crucial constraints when planning to induce changes n the higher education of Republic of Srpska. Structurally, university as such is an entity with no viability since only faculties do count in terms of resources and real academic players. How to move from a status of a federation of faculties to one of an integrated university is the big challenge for the programme implementation, mainly with regard to strategic management and policy making. The culture of complacency bears directly on quality assurance and study programme development. Passing from a state of implicit, local, and traditional standards of quality to explicit standards and indicators for a quality management system is quite a leap forward. How to initiate such a process, mainly when inter-institutional relationships are rather weak, is again a real challenge for our programme. Moreover, all these are to be envisaged for a truly underfunded system, with very few prospects of getting out soon from this state.

- "Considering higher education of the Republic of Srpska as part of the wider systemic area of higher education of Bosnia and Herzegovina would offer a greater chance of achieving desirable outputs from our programme implementation. However, despite the recent trends of having a certain mobility of staff and students in the country, the process of systemic integration is going to last for quite a long time. Differences are still more important than communalities. All that remains to be done is to rely heavily on the Bologna Process and help building up a network of cooperation which would be wider than the country's universities by including Western European partners. This tentative development is to be further explored" (Purser and Vlăsceanu Report, pp. 6-7).

Croatia

"The co-ordination between MoES and MoST, formally separated several years ago, is not always at an adequate level. A number of outstanding issues would benefit from coherent policies at the national level, for example joint development of new curricula, pre-service and in-service teacher training, admission to higher education, and other issues.

- "The internal management structure of Higher education institutions, with highly independent faculties, is a serious barrier to the development of clear positions of the whole sector with regard to important developments of the system: new legislation, changes in the funding mechanisms, etc.
- "The issue of centralization is important in two other areas. One is higher education where, although the institutions are nominally autonomous, control lies very much with the MoST. It appoints staff and provides finance to individual faculties rather than to the university itself. It is, therefore, difficult for the university (as a whole, rather than as a conglomeration of independent faculties) to pursue coherent institutional

policies. The proposed legislation may alleviate these problems, especially the funding issue, as well as providing for an improved quality assurance system.

- "Under the current centralized system of financing, university management does not have powers to implement coherent institutional policies. In effect, the central university management - the Rector and the Academic Senate - has little influence on the overall development of the university as a healthy and thriving institution. There are many examples of overlap of departments in different faculties. The current organizational structure also imposes barriers to interdisciplinary studies.
- "There is an over-emphasis on the introduction of 'market' mechanisms in the higher education system. Market needs and demands should, certainly, influence the number of students in different fields, the level of education obtained, and the skills and competencies acquired. However, the overall funding of higher education institutions should depend on criteria such as quality of education, achievements in research, diversity of educational services offered, and other factors, rather than trying to respond to an ever-fluctuating 'market' of popular or less popular disciplines at any given time" (OECD Review: Croatia, p. 28).

"Conclusion: Issues of Concern

- "Higher education in Croatia is institutionally unbalanced. On one side, we can see one big university, 2 smaller universities and another one more recently established, while on the other side there are 18 non-university higher education institutions. While Zagreb University, by far the largest and the most prestigious higher education institution in the country [is comparable] in terms of academic performances with similar European universities, less emphasis has been so far put on the development of other higher education

institutions, maintaining them in a state of followers or copiers of the university.

- "There is a clear gap between the knowledge on current trends and developments in the field of governance and management of higher education existing in the academic world and the actions corresponding to that knowledge. Consequently, the existing Croatian models of governance and management of higher education are rather traditional: very low integration of faculties in universities, centralised funding mechanisms, no clear meanings and actions of accountability, very few quality assurance mechanisms in place, a low institutional capacity of management coupled with a restricted and weak administration in terms of staff and policy making.
- "Leadership is also a weak concept, due to a large spreading of responsibilities to members of managing collective bodies in faculties. Policy making does not dispose of a clear institutional framework, while policy implementation is not carried out by appropriate administrative offices. Policy evaluation and accountability are rather remote concepts, without any clear grounds for application. University autonomy is well established in legal terms, but infringements may occasionally appear due to political interference of both academic staff and authorities. No financial autonomy is in place, public funds being disbursed by the Ministry of Finance on a historical basis, taking account mostly of the number of teaching/research posts and less so of the number of students.
- "Bologna Declaration is the reference framework, asserted by almost all leaders in the system and institutions, though doubts about the implications of its provisions may be easily expressed when seeing the reality. A small proportion of the academic staff is really knowledgeable of the new trends and developments in today higher education in Europe. While those knowledgeable are not really and consistently acting

along the new European trends for various reasons, those less knowledgeable do not show a high interest in learning, participating and applying. The problem as such is both one of knowledge dissemination and one of implementing real actions.

- "All governance, managerial and administrative discussion in the system and institutions seem to be highly politicized. This trend is either personalized ('who holds which position') or referred to maters of principle which seem to generate a struggle between institutions and policy makers. The direct consequence is that of non-action, keep the system on its traditional track, but also sometimes of separate unrelated actions which are not part of an overall strategy" (Purser and Vlăsceanu Report, p. 3-4).

FYR of Macedonia

- "Higher education across Europe is undergoing important changes. For example, the Bologna Declaration and its associated follow-up processes will have a profound effect on the way in which higher education is provided, organized, financed, quality-controlled, and certificate. It is essential that Macedonian higher education align itself very firmly with these developments, and take an active part in the design and implementation of European models of higher education reform.
- "The new law on higher education emphasizes the establishment of high standards and quality in higher education. This ambitious goal can be achieved, if it is supported by good organization, co-ordination, and dissemination networks. Such support is crucial, because analyses show that many well developed projects are implemented slowly or even totally lost due to poor organization and horizontal and vertical co-ordination.

- "The increased autonomy of higher education institutions is undeniably a positive development. Care must be taken, however, to ensure that accountability is also built into the system, to protect equity of access and to align the curriculum with the developing economy of the nation. Financing mechanisms that are qualitative rather than quantitative would be one of the ways to promote reforms in faculties that no longer respond to the needs of students and the labour market, and to ensure that pre-service teacher training reflects educational reforms and policies relating to schools" (OECD Review: FYROM, p. 42).

FR Yugoslavia

SERBIA

- "A long period of isolation. As a result of the politics of the past decade, the impoverishment of a large part of the population, and the sanctions, it was very difficult or even impossible for the teaching staff and the students to travel. Thus neither could they take part in programmes such as TEMPUS, and most academics could not attend conferences abroad. Teaching staff, therefore, could not keep in touch with scientific developments in their field nor establish or keep up personal links with staff of other universities abroad. Today they are confronted with a whole generation of students who have never been abroad, and whose experience is limited only to Serbia in the past decade. To include Serbian students and teaching staff from all academic fields in international networks is of great importance to the future of the universities and society as a whole.
- "University as an alternative. Only about 30 percent of enrolled students ever finish their studies. Thirty per cent of students take more exams than do all the rest together. A reason for this is that 'being a student' has so far been perceived more as a permanent social category

rather than as a temporary occupation leading to an academic degree. Thus the university does not function as an educational institution producing graduates, but as an alternative to the labour market.

- "The effect of shortened classes on student achievement. Over the past decade, the academic achievement of students has suffered from the fact that the teaching staff had to engage in all sorts of non-academic activities (including black market, smuggling, catering, etc.) to make a living during the academic year (this is especially true for the academic year 1999, which ended on 24 March because of the NATO bombings). Prior to that, heating problems and strikes for higher salaries caused significant loss of teaching hours. Predictably, student learning and achievement suffered.
- "Missing links. There is no in-service training institution, and there are only scattered in-service teacher training initiatives (*e.g.*, from the Department of Psychology, Belgrade University). What is dramatically missing is a non-formal system, *i.e.*, an educational system for the population above the age for regular schools. This system would include primary education for adults, vocational education, in-service professional training, education through the mass media, education in the media, educating adults for the role of citizens, education of the village population, etc." (OECD Review: Serbia, p. 43).

Kosovo

"The University of Priština was at the very core of political conflict and the self-esteem of Albanian Kosovars; it was one of the most highly politicized places in all of Kosovo. Its focus must now shift to alignment with Europe, for example through the Bologna Framework. The first steps are (*i*) the introduction of the 3-5-8 year (Bachelor, Master, Doctor) scheme; (*ii*) the application of quality assurance; (*iii*) the adoption of the

European Credit Transfer System; and (*iv*) the development of true academic autonomy from any future government.

- A difficult balance must be struck between the severe restrictions on university places (only 4,545 this year) and the capacity of the higher education system to cope with more students, and also the capacity of the labour market to absorb more graduates. Clearly more young people would like to continue into higher education. It might be possible to expand the number of places in certain disciplines where there is a skills shortage. Part-time places, especially for adults who have missed out on university education, should be expanded.
- "Academic standards and fees are under discussion. During the "shadow" system, efforts went towards keeping students in the system, and the requirements for entry and performance were not high. Academic standards, however, must now be raised to bring them back to European levels; but with the accompanying risk of discouraging students, or losing them altogether. Benchmarking with other universities to verify quality standards should be pursued. Fees are low at the moment, but there are arguments for (a) abolishing them (*e.g.*, for bright or disadvantaged students), or (b) raising them, especially for popular faculties where places are scarce.
- "The equally difficult question of (ethnic and linguistic) integration needs to be resolved. There are no precise figures for Serb students and university staff remaining in Kosovo, but there are apocryphal accounts of discrimination against Serbs in university admission and employment. Teaching is now practically monolingual (in Albanian), apart from a few faculties operating in North Mitrovica and a few small initiatives elsewhere that allow some Kosovar Serb students to study in Serbian.
- "Some faculties have suffered greatly, especially engineering where even the old Russian machinery has broken down or has been damaged beyond repair; also,

as jobs in engineering are still very limited, students are not motivated. Other faculties (*e.g.*, Law) declined seriously during the years when no Albanian judges or lawyers were allowed to practice and an attempt at a 'shadow' judiciary failed.

- "The long years of the 'shadow' system have created a haphazard culture of teaching and learning. Attendance during these years dropped by more than 50 percent; students often turned up only for examinations; staff development was non-existent; teachers and students are no longer used to consulting libraries or journals, or have no access to them. Modern methods of pedagogy (for teachers) and active study skills (for students) are badly needed.
- "Kosovo and the University have no serious research record. There are exceptions, but clearly the material as well as the knowledge base are insufficient for research that can stand up internationally. However, change will require the open acknowledgement and co-operation from within academia. The planned Central Laboratory Unit (CLU) and international links through European partners will provide a basis for focused and respectable research" (OECD Review: Kosovo, p. 35).

MONTENEGRO

"Support for legislation. The new (draft) law is a great step forward, but needs to be underpinned by by-laws and regulations. This presents a huge task for which external technical assistance is likely to be needed.

- "*Brain drain.* There is a significant brain-drain problem of graduates and good teaching staff; the team heard that 29 PhD's in mathematics had recently left the university, and then many Montenegrin engineers have left the country. With only about 640 graduates per year, Montenegro can hardly afford to lose its best and brightest.

- *"Governance and practice.* Once the new law is in place, it will be necessary for the university leadership to implement important changes in governance and practice. This will require a great deal of flexibility, and willingness to adjust to new ways of teaching and learning that may not be welcomed by older members of staff.
- *"Involvement of academia in reform.* There is political bipartisan support for the new university legislation, and 12 of the 37 members of the newly established National Council for Change in Education are university professors. However, university staff are not seriously involved in politics or lobbying, and the team is concerned that there is not enough practical, hands-on university involvement in the overall reform of Montenegrin education. This is in particular true with regard to changes in upper secondary curricula (*e.g.*, modularization, more emphasis on critical thinking skills, etc.) which will affect first-year university entrants. Experience in many countries shows that unless the university is prepared to work with the secondary schools in the formulation and implementation of new curricula, and to adapt its own admission requirements and procedures accordingly, teachers and students will continue to pay more attention to the (heavily content- and knowledge-bound) university entrance examinations than to more enlightened approaches to learning which emphasize critical thinking, independent judgement, problem solving and similar higher-level thinking skills rather than memorization of content. No reform of upper secondary curricula can succeed without active involvement of, and support of, university academics, especially those who preside over entrance exams.
- *"Maintaining existing high quality.* Students believe that the quality of their educational courses remains high, despite enormous problems of finance, library resources, laboratories, computer facilities, and inadequate links

> with other universities in the region and the wider European and world community. Nevertheless, chronic under-funding and insularity will eventually undermine academic quality, and it will be important to ensure that standards do not fall below what is internationally acceptable" (OECD Review: Montenegr. p. 40).

"It is widely accepted that a system level as well as a university level management information system has to be worked out. The ministry is already ahead of the institutional situation, but still needs improvement. At the university level the correct system of collecting and handling solid statistical data and information is yet to be established in order to provide appropriate service and a transparent, accountable system. In case the resources are going to allow introducing the university wide management information system, the non-Podgorica located units of the University of Montenegro are going to be an integrated part of the central administration.

"The establishment of an effective management and administration system in a reasonable time certainly needs substantial resources. Both the capacity building and the overall infrastructure of a professional system need external help" (Frenyó Report, p. 20).

2.4. Financial Management and Institutional Relationships with Civil Society

2.4.1. LEGAL BASIS

Albania

"Higher Education was reformed by the "Law for Higher Education in the Republic of Albania" of February 1999 that for the first time allows for the creation of private institutions. The Council of Ministers will pass more detailed regulations regarding private higher education in the near future"(Haugh and Tauch, Trends III, p. 45).

"There is until now no financial autonomy for the universities. This is foreseen in the law of 1999, but is not yet reality. The universities get a budget, but they have to apply

separately for every detail they want to buy. Therefore the efficiency of the budgets is in question. The chancellor of Tirana University stresses the need of European technical support in this case in order to achieve European standards.

"The Tirana University already proposed to the ministry a concept of financial autonomy, which has been discussed and approved by the senate. The ministry has no objections to the proposal, its approval would be up to the parliament.

"The most important aims of the proposal are: (*i*) The universities get a budged as a grant (*ii*) The responsibility for expenses would incumb on the faculties and departments, which is not the case until now. This would have also an impact on the actual research deficit. The new financial autonomy should be used as instrument in order to inspire research. The current situation does discourage research, because the (low) salaries do not change whether one does researche or not.

"According to this proposal the ministry's role is only to monitor the financial practice and development of the universities. University hopes that financial autonomy will change the landscape of research in Albania completely.

"There exists already the proposal for the change of the law of 1999 in respect to a future financial autonomy from 29.5.2001. 14 paragraphs regulate this autonomy (*'Propozin mbi vendimin perfundimtar te autonomise financiare universitare'*).

"Institutional relationships to the civil society cannot be discovered" (Kaser Report, 2002, p. 4).

Bosnia and Herzegovina

"The situation regarding higher education is complicated by the fact that it is governed by 11 different laws (10 cantonal laws in the Federation, one in the Srpska Republic).

"Higher education is organized in a unitary two-tier system with universities as the only higher education institutions. Within the universities there are faculties, colleges and pedagogical academies. The faculties enjoy a very strong

degree of autonomy within the universities" (Haug and Tauch, Trends III, p. 45).

"Dayton excluded the Federal Ministry of Education from an active and explicit role in education, by legally transferring nearly all authority for education to cantons and by the decision to finance through canton-level tax revenue" (OECD Review: BiH, 2001, p. 12).

"Provisions concerning higher education financing were formulated by the Federation Ministry of Education, Science, Culture and Sports within the draft document of the 'Basis for the Educational Policy and Strategic Development of Education in the Federation of Bosnia and Herzegovina', Sarajevo (OECD Review: BiH, 2001, p. 21).

Croatia

"The 1996 Higher education act provides the legal basis for higher education in Croatia, stressing the principle of academic autonomy. The proposal for a new Higher Education Law, which was to be adopted by the end of 2000, includes proposals for greater faculty autonomy in terms of finances and management and for the introduction of tuition fees and mechanisms for quality assurance. Several changes to the draft have been proposed, and the adoption of the law has been postponed" (Haugh and Tauch, Trends III, p. 46).

FYROM

"Until now, the situation is as follows: The state budget for Higher Education is distributed to the 31 faculties on the basis of the number of students (the figures sent in by the faculties are in the most cases higher than in reality).

"90 percent of the budget is needed for the salaries! Only the rest is operative budget (heating, laboratories...).

The drafted law will bring a more elaborated method of distribution - a 4 channel system, called 'Formula':

i) "80 percent of the budget according to the number of students;

ii) "20 percent of the budget according to the number of absolvents (extremely low rate, about 25 percent) also being considered;
iii) "kind of the study field (7 grades);
iv) "kind of the organization (college or faculty)" (Kaser Report, p. 11).

"The new law adopted in November 2000, provides for a new legal status for higher education institutions, affirming their autonomy, offering the possibility to establish both state and private institutions and introducing new recognition procedures in accordance with European standards etc." (Haug and Tauch, Trends III, p.39).

"The new Law states that the Parliament of the Republic adopts the higher education Activity Programme for Macedonia with the advice of the Inter-University Conference. The programme is valid for 4 years, but a financial plan is adopted every year" (OECD Review: FYROM, 2001, p. 39).

"The most important documents that have been developed after the changes of 1991 are the Strategy for Development of Education in the Republic of Macedonia 2000, and its successor, Strategy 2000-2010" (OECD Review: FYROM, p. 11).

RF Yugoslavia

SERBIA

"The parliament has passed the Law on Treasury just recently, which will create a new situation" (Frenyó Report, 2002, p. 31).

"The University Act of June 1998 had abolished any kind of university autonomy. After the democratic changes that took place in October 2000 and the elections in December 2000 the new government is now drafting a new provisional University Act. Amongst other objectives it will mandate the revision of all appointments and expulsions that occurred under the act of 1998. Afterwards a law for a thorough reform of higher education will be prepared that should comply as much as possible with the new trends in European higher education" (Haugh and Tauch, Trends III, p. 52).

"Additional act on financing: Regulation on Scale of Norms and Standards for Working Conditions at Universities and Faculties Financed by the Budget of the Republic of Serbia (1995)" (OECD Review: Serbia, p. 51).

Kosovo

"The situation in Kosovo is characterized by the Interim Statute that was introduced within the UNMIK system in October 2000. At present, the executive power in higher education matters lies with the International Administrator who is also co-head of the Department of Education (or Ministry). The Interim Statute aims at restoring autonomous governance at the University of Priština" (Haug and Tauch, Trends III, p. 52).

MONTENEGRO

"The University Law of 1992 regulates higher education. It defines the university as consisting of higher professional schools, faculties, art academies, and scientific institutes.

"The law allows for the creation of private higher education institutions but at present there is only the public University of Montenegro" (Haug and Tauch, Trends III, p. 52).

2.4.2. SOURCES OF FUNDING

Albania

"A tuition fee system was introduced in the past years. The government determines the fee level (identical for all disciplines) but higher education institutions may keep up to 90 percent of the fees" (Haug and Tauch, Trends III, p. 62).

"The state is the only source of funding. There are no private institutions in funding higher education in Albania, although the legal possibility is given (but high standards according to the law). The existing tuition fees do not contribute very much to the funding. There is at the moment no autonomy of the universities related to the tuition fees.

"The question of the relationship between business and university will be open for additional years. Since the economic

development of Albania is *very* weak this question is not actual at the moment.

"This economic context is also the main reason that the question of stipendia for students mobility to other countries is not even discussed by the ministry or universities" (Kaser Report, p. 4).

Bosnia and Herzegovina

"Funding of higher education institutions is provided only from public funds, but it seems that there is not budget in place. Underfunding is a reality, and universities function on a day to day basis, without any grounds for medium or long term planning" (Purser and Vlăsceanu Report, p. 6).

"Financial competence has been transferred from the State (BiH) level to the Entities, and in the Federation to the cantons. However, canton funding is often insufficient to cover various social services, including education. During the war, financing of education was provided from Sarajevo and from Mostar. This resulted in two separate systems with different financial norms; these inequities are still evident in BiH today" (OECD Review: BiH, p. 18).

"The World Bank decided that its Higher Education Fund (US$ 2.5 Million) should be administered through what finally became known as the Higher Education Coordination Board, and the EC decided to include Technical Assistance to the Board as part of its EC-TAER project. Among the main objectives of the Board mandate [the following] is mentioned:

- "Advising on the distribution of funds between the institutions of higher education in Bosnia-Herzegovina, as invited to provide such advice" (Glanville, IC Strategy).

"The Fund's goal is to assist the universities of Bosnia and Herzegovina (BiH) to align themselves to meet the social, economic and academic needs of the country, and to ensure compatibility with higher education systems and institutions in the European Union. The Fund is intended to support the universities' own initiatives and professional co-operation. It is not intended to substitute for funding from any other source.

The Fund will be administered by the Higher Education Co-ordinating Board (HECB), in co-operation with the World Bank Project Co-ordination Units (PCUs) of the Federation of BiH and Republika Srpska (RS), which administer funding under the Education Development Project" (BiH-HE Fund).

"No tuition fees yet, although the higher education law allows the introduction of fees. Foreign students pay fees, depending on the study programme" (Haugh and Tauch, Trends III, p. 62).

Croatia

"Within the Ministry of Science and Technology, in meeting its responsibilities regarding the financing of higher education institutions, the Directorate for Higher Education makes a proposal for a Higher Education Budget and grants approval for hiring all employees at higher education institutions" (MST: Croatia, p. 14).

"A number of places are state-financed, for the rest the higher education institutions charge tuition fees. Foreign students generally pay fees. The introduction of a general tuition fee system is under discussion" (Haug and Tauch. Trends III, p.62).

FYROM

"A number of places are state-financed. For the other students the higher education institutions charge fees. Foreign students generally pay fees. The introduction of a general fee system for all students is planned" (Haugh and Tauch, Trends III, p. 63).

"Except for the private SEE University at Tetovo, which is at the moment predominantly funded by the foreign sources mentioned above, practically the only source is the state. The faculties are allowed to have incomes, but those mentioned in the draft do not play a significant role. These other sources are at least partly dubious. *E.g.*, there are generally 5 fixed months in which exams are officially allowed to be taken. When students pay an additional fee to the faculty, the exams will be taken also in the other months.

"At the University of Skopje, a number of study places are state-financed. This is especially for the Albanian and Turkish minorities the case (positive discrimination). The rest has to pay fees.

"At the University of Bitola, all students have to pay a fixed fee. This provides the faculties with a significant plus in the budget (it was not possible to figure out how much or the percentage).

"The ministry plans a general fee, which will cover about 30 percent of the education cost of the student" (Kaser Report, p. 11).

RF Yugoslavia

SERBIA

"The source of funding is predominantly the State Budget. It arrives as lump sum and basically covers three areas: salaries, running costs, and maintenance. The amount is calculated by a formula, where the major elements are the overall teaching load, number of state funded students and the total number of courses specified by the curricula, number of teaching groups. The formula is then adjusted with the number of different positions and the years of employment.

"Some limited funds are also available for research through the Ministry of Science.

"Extra budgetary funds are mainly relating to tuition fees. 50 percent of the students attending public higher education were State Funded, 25 percent were partly State Funded and another 25 percent were self-financed until 2001. From 2002 there will only be two categories, two-thirds will be state funded while one-third will pay tuition. The government determines the range of fees.

"In private universities or faculties, students pay full tuition, which largely varies, but the range is generally from 3 to 6 thousand DM (1.5 – 3 000 Euro).

"Other extra budgetary revenues are relating to projects available through international sources or business related activities.

"The share of the extra budgetary part in the total budget varies a great deal from faculty to faculty. Some market sensitive faculties earn substantial amount, while others have no chance to earn at all. Those who earn may or may not pay overhead to the university, and pay overhead to the faculty upon individual agreement. The range of the overhead may vary between 5 to 50 percent depending on the special agreement within the faculty. As can be seen, university level coordination is missing, and there is very little solidarity among the different faculties" (Frenyó Report, p. 30).

"At the state universities there are 3 categories of students: fully funded and with a tuition waiver, subsidized (with reduced tuition), and paying full tuition. The decision is performance-based. In private universities, all students pay full fees. All foreign students pay fees. The government sets fees at state universities" (Haugh and Tauch, Trends III, p. 63).

Kosovo

"The source of funding today is still the Kosovo Consolidated Budget, which is a combination of donor funds and locally (Kosovo based) generated income of Kosovo. The ratio between internal and external (donor based) funding has been mentioned as 20 to 80 percent in several documents. According to the International Adviser, that ratio is not accurate. First of all, any of these numbers and ratios are related to the entire education sector and not to the higher education [sector] *per se*. The reason of misunderstandings then are mostly relating to the fact that the substantial sum especially used for school buildings rehabilitation, massive renovation of the seriously damaged premises all over Kosovo, were added to the overall budget of education, creating a distortion about the structure of the budget. Anyhow, the two main sources of the Kosovo Consolidated Budget are still the domestic income and the foreign donation, with a constantly changing ratio" (Frenyó Report, p. 9).

"The general principles of university funding are set in the law of higher education. According to that the university may receive funding from the following sources:

- "Funds allocated by the central authority (eventually the ministry) for teaching and research in the public interest. (At the moment there are no private higher education institutions, the law however provide legal framework for the potential private ones as well);
- "Tuition and other fees paid by the students;
- "Charges for commercial and other sources
- "Donations, gifts, and endowments;
- "Contracts with national, international, public or private bodies for teaching, research, and consultancy" (Frenyó Report, p. 9).

"Until 1991, all higher education in Kosovo was financed directly by the Provincial Government. Teachers were not civil servants but were paid by their respective institutions. Full time study was free of charge; part-time students had to pay a small fee plus a 'tax' for examinations.

"Between 1991 and 1999, the University played a special role in financing higher education in Kosovo. The shadow government allocated an annual budget to the University rather than to faculties or schools, which also tried to raise funds from other sources (including fees for students, which were equal for all types of studies).

"At the time of the team visit (2000-2001 academic year) almost the entire higher education financing of salaries and goods-services comes from the Kosovo Consolidated Budget. Part of this (approx. 20 percent) comes from internal sources; the remaining 80 percent from abroad. A 'price list' for extra charges (such as examination fees and certificates) is approved by the University Senate; costs are low (tuition is 25 DM per semester for 2000/2001)" (OECD Review: Kosovo, p. 12).

"All students pay a tuition fee of Euro 13 per semester. Foreign students pay a slightly higher fee. The decision on fees lies, under the Interim Statute that is currently in effect, with the International Administrator" (Haugh and Tauch, Trends III, p. 63).

MONTENEGRO

"The source of funding is basically still the State Budget. The most important determining factor in that respect is the number of enrolled students in the first year. The government makes its decision in relation to enrollment upon the recommendation of the university Senate. Further limited state funds are also available through the ministry as research funds, which is a project based, competitive source.

"Extra budgetary funds are mostly related to tuition fees, which is still paid by about a third of the enrolled students. The current fees stayed in the range of 100 to 200 Euros a year" (Frenyó Report, p. 30).

"There were no current data available about the concrete breakdown of the budget for 2002. The already quite high percentage of the GDP for education as a whole (7.1 percent) seemed unlikely to increase any further, officials said" (Frenyó Report, p. 21).

"The ratio spent for salaries and anything else has not changed any substantially. It is still more than 90 percent, which covers the salaries, and very little sum is available for any capital investment" (Frenyó Report, p. 21)

"The University of Montenegro is legally autonomous, but is funded mainly from the state budget. At present, higher education is free for students who score above a set threshold in university entrance examinations. Students with lower scores pay fees.

"About two-thirds of students have state-funded places, while the remaining third pay tuition fees. In certain circumstances, students who achieve good results may be released from their obligation to pay fees; conversely, a student who fails required examinations may lose her or his state-funded status" (OECD Review: Montenegro, p. 38).

"A number of places are state-financed. For the other students, the higher education institutions charge fees. The university, in accordance with the Ministry of Education, defines the fee level. A new system is being developed" (Haugh and Tauch, Trends III, p. 63).

2.4.3. PUBLIC FUNDING: WAYS OF DISTRIBUTING THE BUDGET

Albania

"By tradition no free funds are disbursed de-centrally; only funds for payroll are disbursed to the faculties which administer the paying of salaries. In a country with no real banking system it is quite a job to pay salaries in cash to all staff every 14 days.

"The other funds are administered centrally and one applies for what one needs, *e.g.*, paper, cleaning equipment, or new furniture. It is quite obvious that this gives rise to a great deal of time-consuming and irritating bureaucracy. A faculty can obtain genuinely free funds through its own revenue from fees for participation in the admission competition or by means of gifts from donors. Budgeting, budget follow-up, and presentation of accounts in the traditional sense are not widespread phenomena in Albania and thus not at the university either.

"As in so many other countries, approximately 80 percent of the budget is for payroll, while the remainder can be used for other purposes. Funds that have not been used up by the end of the year revert to the Treasury.

"The other funds are administered centrally and one applies for what one needs, *e.g.*, paper, cleaning equipment, or new furniture. It is quite obvious that this gives rise to a great deal of time-consuming and irritating bureaucracy" (Hagelund Report, p. 10).

"The responsible in the ministry as well as at the university make clear that the ways of distributing the budged is transparent. At the moment, 30 percent of the budget is operative and 70 percent is fixed (salaries). It is planned to reduce the fixed budget to 60 percent in order to increase the operative budget to 40 percent" (Kaser Report, p. 9).

Bosnia and Herzegovina

"Education expenditure on average represents about 33 percent of public spending; however, there are variations of

200-300 percent among administrative units in real expenditures. The Federation of BiH tends to spend much more than the Republic of Srpska. Salaries account for up to 90 percent of the budget, with spending on materials (including textbooks) as low as 1-2 percent" (OECD Review: BiH, p. 18).

"Financing of education is, practically, carried through the cantonal budget. The result of that is complex and inauspicious situation in financing of the education. Spreading of resources, frankness to the private capital and greater autonomy of the school in using resources are the issues of great significance for the financing of the education. The international support is necessary.

"Goals:

- "Achievement of equality and impartiality – to systematically solve needs of education financing;
- "Frankness [to recognize the positive role of] private capital;
- "Widening of the financing sources;
- "Ensuring more efficient way of using funds, rationalization of school network and universities;
- "Greater delegation of the finance administration to school level" (OECD Review: BiH, p. 18).

"Activities

- "To find a better approach to financing (to examine financing by students, how to accept working programmes);
- "To strengthen co-operation between the education institutions and business and local environment;
- "To open a possibility of participation of parents in financing the school;
- "To establish a Fund for improving of qualities in education;
- "To open the possibility of reimbursement of expenses through school fees and loans in higher education;

- "To plan the budget based on management of information and assigned funds;
- "To integrate donor funds in budget planning;
- "To transfer material expenses of the school to local communities, with the possibility of private financing;
- "To make a special document on financing of education;
- "To ensure guaranteed budget for financing support to the minimum of the infrastructure standards in education institutions" (OECD Review: BiH, p. 18).

"Expected results

- "More efficient and transparent financing;
- "Increased participation of local actors in financing schools and distribution of resources;
- "Increased participation of non-government resources of education financing;
- "Education system opened for international support" (BiH Educational Policy, p. 21).

Croatia

"The share of education of GDP went down over the last few years, but is now increasing to about 3.4 percent (1999 estimate) although it remains well under the European average. The share of education expenses from the state budget is below 12 percent and private contributions are insufficient. There is a great need to mobilize additional financial resources, as the current level is insufficient to support the reform process.

"The division of financial responsibilities does not reflect a clear policy perspective for either side. In Croatia, the MoES presently covers 100 percent of expenses (except for pre-school, and some categories of capital investment, such as maintenance of buildings). By focusing on recurrent expenses at the central level, the government may not be able to introduce incentives for efficient service delivery" (OECD Review: Croatia, p. 12).

"There are tentative studies on introducing the voucher system for funding higher education from the state budget. For

the time being, the Ministry of Finance is in charge of funding higher education and research, disbursing public funds directly to faculties. Most of the public funds cover recurrent expenses, only about 20 percent addressing new investments in research rehabilitation of premises and capital investment. University staff may have research contracts directly with private companies, managing these funds independently, while a ratio of 25 percent from the contracted funds are given to the faculty for using institutional facilities" (Purser and Vlăsceanu Report, p. 3).

FYROM

"A Higher Education Activity Fund has been created within the Ministry. A 15-member Management Board with academic, student, and ministry representation manages the Fund. The Board sets the annual budget and distributes resources according to the Activity Programme, decides on scholarships, investments, maintenance, equipment and books, and establishes the levels of student fees (called 'co-financing' in the Law), and attracts additional funds from other than State sources. The Fund is also authorized to subsidize private higher education provided that this is in the interests of the Republic of Macedonia *(Art. 85)*.

"The question arises, however, whether the detailed responsibilities of this Management Board leave much room for university autonomy, if scholarships, investments, maintenance, and even books are decided by the Board. Moreover, if the Board controls the levels of student fees, it may also control the number of students, and the use of non-State funding. In that case, the university management would find it difficult to take any serious strategic decisions at all.

"Students may be expected to pay for their studies if they fail to meet the criteria for State funding or other criteria laid down by the higher education institution. The amount of fees is proposed by the higher education institution but must be agreed by the Fund *(Art. 89)*.

"Educational expenditures on higher education have been declining; between independence and 1995, they declined by

60 percent. In 1994, the part of the national budget allocated to higher education was less than 1 percent" (OECD Review: FYROM, p. 39).

"The management board has not very much to decide, when 90 percent of the budget goes into salaries.

"The drafted new law will give the state budget as grant to the universities or better: to the faculties" (Kaser Report, p. 11).

FR Yugoslavia

SERBIA

"Total budget for higher education in public sector is mostly dependent upon the number of students supported by the states and a complicated formula serves as the basis for calculation. Due to the heavily under-financed situation, faculties are interested to admit more and more students, even in case, when the conditions would not normally allow it. That creates sometimes a decrease in quality.

"The Interim Law will introduce some flexibility concerning internal budget allocation and reallocation according to the needs of the faculties. Currently the sum obtained from the state budget is already allocated to a certain purpose, so autonomous reallocation is strictly prohibited. Changing the rigid nature of the allocation policy will certainly provide more chance to internal financial management, and even more efficient use of resources. In that case the Managerial Board, which is responsible for planning and allocating the budget, would have more power on management. On the other hand, unless some substantial changes will happen concerning the legal position of the faculties as for the funding positions concerned, there is very little hope to have a powerful financial management system at university level. The least that should be arranged is to move towards the mixed system existing at the University of Montenegro, where the faculties are financially not considered any longer to be separate entities" (Frenyó Report, p. 31).

"The system has been funded in recent years according to a decree (1995) which gave a formula to calculate the total

amount of money that should be allocated monthly to each faculty. There are two categories. One is related to salaries based on the number of faculty members, their grade and years of employment, as well as the number of students, courses, study groups, etc. The assumption is that the weekly norm is four lecture hours, (which the current Ministerial team believes is too low and plans to increase). The second category covers teaching and material expenses. This is based on faculty groupings, type of course, and estimated cost (e.g., the material costs of delivery of a chemistry course are higher than a mathematics or history course). In theory, there is also a line in the budget for capital investment in buildings and laboratories, but in reality there has been no funding for these items for the past several years. Another item that has not been funded in recent years is financial support for academics to attend conferences or take part in exchanges" (OECD Review: Serbia, p. 42).

"The public expenditure in education is about 5.5 percent of GNP and less than 200 USD per student a year.

"The average monthly net salary in education is less than 40 USD" (Gabrscek and Dimc, Bled Seminar, p. 298).

Kosovo

"In real life conditions, the source of the UP budget is mainly (*i*) the state fund, arriving from the Kosovo Consolidated Budget. The university received 11 million DM (5.5 million Euro) as total state budget in 2001, of which 7 million was allocated for salaries, and 4 million for all other expenses (running cost, maintenance, equipments, etc.). That sum was increased in 2002 to a total of 17 million DM (8.5 million Euro), of which 9 million was allocated for salaries, and 8 million for all other costs" (Frenyó Report, p. 10).

"A minor source of the budget are (*ii*) extra budgetary revenues, which is mostly relating to the tuition fees. The modest tuition fee is 13 Euro/ semester for all students. Additional slight charges are relating to exam fees, charge of certificates, etc. Those extra budgetary revenues are largely used for partial coverage of administrative costs, as well as

supporting students. Although the sum is very modest, but it still provides scholarship for 200 needy students a year as well as some grants for the outstanding students" (Frenyó Report, p. 10).

"Between 1991 and 1999, the University played a special role in financing higher education in Kosovo. The shadow government allocated an annual budget to the University rather than to faculties or schools, which also tried to raise funds from other sources (including fees for students, which were equal for all types of studies)" (OECD Review: Kosovo, p. 33).

MONTENEGRO

"Some principles about the funding methodology, the central allocation system, as well as the conditions of funding by the state will be outlined in the new law. The university Senate (as the top managerial authority) collects the needs and requests of the faculties and other units and formulates the final budget request to the government, who then presents it to the Parliament for final decision. There were four funding categories before according to the expenditure/students as a budget planning principle (up to 5 thousands, 5–10 thousands, 10-15 thousands and over 15 thousands DM/year), but university leaders could not confirm whether it is still the case.

"The university receives the state fund as one sum, to the university account and not to the faculties'. In university level, under the authority of the Senate, the Rector is responsible for the management of budgets and resources. The plan however is – in agreement with the ministry – that faculties will have their own sub-accounts" (Frenyó Report, p. 21).

"There are plans about the system of handling of faculty earned extra budgetary funds. The new statutes certainly have to deal with that issue. As the need is clear to stimulate university units to add to the modest state budget, by mobilizing their teaching and research capacities, a collegiality based but still stimulative distribution model has to be worked out.

"There are faculties, which are – by nature – market oriented, while others are not. The notion of an obligation to pay overhead to the university is generally accepted, the magnitude of it is still yet to be determined. Also, the model of breakdown and further use of the income "privately" generated by the faculty (percent for salary increase, for maintenance, etc.) has to be worked out" (Frenyó Report, p. 21).

"Currently, the financing formula introduced at the time of the Socialist Federal Republic of Yugoslavia (SFRY) remains in force, although both Serbia and Montenegro now foresee a more decentralized financing model in the future. The budget for education in Montenegro in 1999 was approximately DEM 120 million (USD 63 million). For 2000, the total state budget was planned at DEM 394 million (USD 66 million), with DEM 116 million (just under 30 percent) devoted to education. This is of course a very high share, and the share of GDP spent on education (7.1 percent in 2000) is well above the regional and even the OECD average. Salaries account for at least 88 percent of current expenditure" (OECD Review: Montenegro, p. 7).

2.4.4. FINANCIAL MANAGEMENT IN THE HIGHER EDUCATION INSTITUTIONS

Albania

"In the terms of the University Act, all university budgetary units (the Rector's Office, the faculties, the departments) are autonomous and can spend the funds allocated to them as needed. This provision is an innovation in relation to earlier practice for which reason it has not had any effect as yet. As in so many other countries, approximately 80 percent of the budget is for payroll while the remainder can be used for other purposes. Funds that have not been used up by the end of the year revert to the Treasury.

"However, by tradition no free funds are disbursed decentrally; only funds for payroll are disbursed to the faculties which administer the paying of salaries. In a country with no

real banking system, it is quite a job to pay salaries in cash to all staff every 14 days.

"The other funds are administered centrally, and one applies for what one needs, *e.g.*, paper, cleaning equipment, or new furniture. It is quite obvious that this gives rise to a great deal of time-consuming and irritating bureaucracy. A faculty can obtain genuinely free funds through its own revenue from fees for participation in the admission competition or by means of gifts from donors. Budgeting, budget follow-up, and presentation of accounts in the traditional sense are not widespread phenomena in Albania and thus not at the university either

"As in so many other countries, approximately 80 percent of the budget is for payroll while the remainder can be used for other purposes. Funds that have not been used up by the end of the year revert to the Treasury.

"The other funds are administered centrally and one applies for what one needs, *e.g.*, paper, cleaning equipment or new furniture. It is quite obvious that this gives rise to a great deal of time-consuming and irritating bureaucracy.

"Still very bureaucratic, as already underlined, financial autonomy is the aim" (Kaser Report, 2002).

Bosnia and Herzegovina

"*Governance, comparability and financing.* Even though there are seven universities, they are each rather loose associations of autonomous faculties which operate more or less separately with little control over standards, and no system to test compatibility across faculties or universities. Similarly, each faculty manages its own finances with no mechanisms to ensure that the limited finance available is equitably distributed, nor is there a process to decide where funds should be applied to support growth and development in areas

consistent with the economic needs of the country.[4] The current payments approach in the Federation should be discontinued, with the Federal ministry being given authority to manage the whole system in terms of planning, co-ordination, and future development. The Co-ordination Board is too weak a structure: co-ordination cannot work if what is to be co-ordinated are the individual decisions of as many as ten ministries and seven universities.

"*Universities share many common problems*: in general, they are not long established, need to have the legislative strength to manage finances, appoint staff, purchase equipment and to 'make good' damaged and under-maintained facilities. Many professors are returning refugees, without housing and little support to begin teaching again. Free accommodation in lieu of salary is one possibility mentioned. There needs to be support for faculty exchanges with other countries" (OECD Review: BiH, p. 12).

"Allocation of the Higher Education Fund across universities:

"For planning purposes, the Fund will assign to each university a notional allocation, based partly on a minimum allocation (USD 100,000) and partly on the number of its full-time equivalent (FTE) students as a proportion of all FTE students in the BiH higher education system. Each university may be awarded grants within this notional allocation. These allocations will be subject to revision by the HECB if satisfactory grant proposals are not forthcoming. No institution will have automatic access to any portion of the Fund without meeting the application conditions. All universities are required to follow the application procedures and meet all the conditions established in these guidelines before accessing any funds.

"Up to USD 25,000 in each of the four years of the Fund's life will be available to the HECB, in support of its own work.

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[4] An exception is the University of Tuzla. In the Tuzla-Podrinje canton, legislation was passed in 2000, which removes the legal status from faculties and reinforces the central role of the university. Centralized planning and financing are now being introduced in a more strategic way.

"Subject to the university submitting a satisfactory Interim Planning Statement, the Fund will allocate the minimum sum of USD 100,000 for each university which may be committed to projects during the first two years (2001-2002). Access to funds in excess of USD 100,000 will require the existence of a full Institutional Development Programme (IDP), approved by the university Senate and judged satisfactory by the HECB" (BiH-HE Fund, p. 5).

"These allocations do not entail automatic access to funds. The determining factor for all grants should be the objectives and the activities stated in the grant proposal. The final authority on allocations will be the HECB. In January of each year, the HECB will review the use of funds and decide on re-allocations as needed on the basis of a two-thirds vote of the members. Any university that has not been awarded, for any reason, a grant by January 1, 2003, will lose its eligibility under the Fund. Funding nominally allocated to that institution will be re-allocated to other institutions. All funding not yet committed to grants on January 1, 2004, will be re-allocated to any university that submits an qualifying grant proposal under the Fund" (BiH-HE Fund, p. 5).

Croatia

"The internal management structure of Higher education institutions, with highly independent faculties, is a serious barrier to the development of clear positions of the whole sector with regard to important developments of the system: new legislation, changes in the funding mechanisms, etc." (OECD Review: Croatia, p. 28).

FYROM

"The question arises, however, whether the detailed responsibilities of this Management Board leave much room for university autonomy, if scholarships, investments, maintenance, and even books are decided by the Board. Moreover, if the Board controls the levels of student fees it may also control the number of students, and the use of non-State

funding. In that case, the university management would find it difficult to take any serious strategic decisions at all. Indeed the team had the impression that top university management had little room for new initiatives, in particular because some university leaders tend to take on (temporary) political or administrative roles in the Ministry from time to time, and are therefore not themselves strictly autonomous" (OECD Review: FYROM, p. 39).

FR Yugoslavia

SERBIA

"In principle, only state universities and higher education institutions (2-4 year vocational schools) are financed by the Ministry, while private universities are supposed to finance themselves completely.

"In 1998, the distinction between full-time and part-time was abolished, and a new classification was introduced, based on source of student financing: 'budget-finance' students (full- or part time) and fee-paying students, *i.e.*, students who pay the full cost of their education (full- or part time)" (OECD Review: Serbia, p. 42).

KOSOVO

"The funding methodology, the central allocation system as well as the conditions of funding by the central authority are well spelled out in the new law. The UP receives the state fund as one sum, paid in intervals determined by the central authority. The Board of Governors of the university has the right to use of the funds, and shall be accountable to the central authority.

"At university level, under the authority of the Board, the Rector is responsible for the preparation of annual estimates of income and expenditure and the management of budgets and resources" (Frenyó Report, p. 10).

"The university has its own bank account and all the budgetary elements has to go through on it. From 1 February 2002, no individual, independent handling of any financial matter is allowed to the Faculties or High Schools. Everything

has to go through the central financial administration. There will be soon implemented a new allocation model, allowing for the different university units to have sub-accounts, but a strong central control on any financial transactions remains.

"The law and the statutes order an effective independent internal and external financial audit.

"Upon prior approval of the central authority, the university may promote and exploit its education and research activities commercially for the benefit of the university" (Frenyó Report, p. 10).

"There are 13 faculties in the university. These faculties are separate entities each developing a strong autonomy and it becomes very difficult for them to share their resources according to their common needs, even at the time now of pluridisciplinarity, of evolution of knowledge, of giving value to professional experience, of life-long learning. The impression prevails that each faculty, each 'center', even sometimes each department behaves itself as an autonomous 'enclave' inside the university, without great collaboration from one enclave to another. It is difficult to organize with a strong follow-up any transversal commission and thus any group of reflection for the emergence of new ideas, especially at that time when the international 'umbrella' has taken the place of the Serb oppression for a population who never really knew about exercise of democratic power" (Duhamel Report, p. 8).

MONTENEGRO

"In 1999/2000, the budget for tertiary education was 7.5 million Euro; more than 91 percent of this was spent on salaries, 5.56 percent on capital expenditures and 3.22 percent on equipment. External assistance to the higher education sector is relatively small. In the 1998/99 academic year, World University Services (WUS) Austria donated DEM 450,000 per semester for infrastructure, academic reconstruction, internet connections and the establishment of a university internet center, participation in international

academic conferences, and language and computer courses for students and academic staff.[5]

"Annually, the University Senate proposes – and the government decides – the number of students to be admitted that year. Admission to university is by 'open competition' announced by the university at least two months before the start of the academic year. Interestingly, Article 92 of the draft higher education law states that 'Any person who has completed adequate secondary education prescribed by the institution's [*i.e.*, university's or affiliated institution's] general enactments [*i.e.*, internal regulations] *shall be* admitted to the first year of studies'" (OECD Review: Montenegro, p. 39).

2.4.5. ACCOUNTABILITY

Albania

"Budgeting, budget follow-up, and presentation of accounts in the traditional sense are not widespread phenomena in Albania and thus not at the university either. Very careful accounts are kept of all income and expenditure in hand-written account books but it is very difficult to obtain any overview or status at a particular point in time.

"An important aim is to have a budget that can be used also in the following fiscal year. At the moment not used money has to be returned to the ministry by the end of the year" (Kaser Report, p. 5).

Bosnia and Herzegovina

There is no accountability system.

Croatia

"Control is usually exercised at the central level and is based on inputs. There are no mechanisms in place to reallocate money from one budget line to another. Without a consistent approach across all these issues, rational financial decision-

[5] CEPS Ljubljana, December 2000.

making is seriously affected, and school units will not be able produce desired outcomes" (OECD Review: Croatia, p. 10).

FYROM

"The increased autonomy of higher education institutions is undeniably a positive development. Care must be taken, however, to ensure that accountability is also built into the system, to protect equity of access and to align the curriculum with the developing economy of the nation. Financing mechanisms that are qualitative rather than quantitative would be one of the ways to promote reforms in faculties that no longer respond to the needs of students and the labour market, and to ensure that pre-service teacher training reflects educational reforms and policies relating to schools." (OECD Review: Kosovo, p. 42).

"There is not much accountability needed and exercised, since 90 percent of the budged goes into salaries" (Kaser Report, p. 11).

FR Yugoslavia

SERBIA

"A new management information system is desperately needed in order to reach higher level of transparency and accountability. In case it happens, the role of the Supervisory Board in the level of both, the university and the faculty will be more important" (Frenyó Report, p. 31).

KOSOVO

"Currently, the DES of UNMIK is still acting as central authority, and their system of handling and allocating funds for the university is certainly totally transparent and accountable.

"As they have already started the capacity building project for the human resources of the potential Ministry, there is a hope that there will be a well-trained, professional administrative staff by the time the ministry will start to operate" (Frenyó Report, p. 10).

"The model of allocation of funds and the degree of accountability is going to be better and better, but an equally critical issue at the moment is the magnitude of the budget to be allocated, which is far from adequate" (Frenyó Report, p. 11).

MONTENEGRO

"Transparency and accountability are going to be in much higher level as soon as the new management information system will be available and will be applied in the financial sector of the administration too.

"As the need towards diversified resources is more and more accepted by the university community, it is more over important to work on the more efficient use of resources (by the time any extra resource would arrive)" (Frenyó Report, p. 5).

OECD Recommendation: "Decentralize and devolve authority and responsibility as closely as possible to those most affected by decisions made. However, it is vital to proceed with caution in two main respects: (a) make sure that every type of decentralization or devolution is accompanied by clear, reciprocal lines of accountability for quality delivered; and (b) make sure that local authorities, principals and teachers are ready to accept their new responsibilities, and have the skills and resources to fulfil them. A further caveat: decentralization tends to be a political (rather than an educational) agenda, and there is scarce evidence that child welfare, equality, and quality of student learning are in fact protected better by local politicians than by central ones"[6] (OECD Review: Montenegro, p. 42).

2.4.6. ISSUES OF CONCERN AND RECOMMENDATIONS

Albania

Chronic under-funding: "The former centralist top-management is still firmly in place, and the superior authorities hold on to power while it is difficult for the

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[6] See especially Jeni Klugman, *Decentralization: A Survey from a Child Welfare Perspective*. UNICEF/ICDC, Economic and Social Policy Series no. 61, 1997.

subordinate bodies to take the initiative to exploit possibilities for autonomy. The financial situation at the universities is a good example of this: As in so many other countries, approximately 80 percent of the budget is for payroll while the remainder can be used for other purposes. Funds that have not been used up by the end of the year revert to the Treasury.

"Budgeting, budget follow-up, and presentation of accounts in the traditional sense are not widespread phenomena in Albania and thus not at the university either.

"First and foremost, the University of Tirana has obtained a computer-based, joint financial system and computers for the local budgetary personnel who are to use it.

"A programme of courses to train personnel has been launched. The next step will be to convince the superior authorities to abandon the initial approval procedures and to go over to follow-up control measures. Due to the widespread lack of trust and mutual accusations of corruption and bad management heard from all levels, it will probably take some time before the faculties achieve the financial independence they desire" (Hagelund Report, pp. 9-10).

"A typical teaching room at the university could consist of a blackboard and an ill-sorted collection of tables and chairs in sizes suitable for 10 year-olds.

"During the winter there is practically no electricity and thus no lighting, and computers, photocopiers, and the like cannot be used. There is often no water supply making visits to the toilet an experience one would rather avoid.

"University libraries often contain obsolete book collections from the communist era, and modern literature is limited to the international material which is donated. It takes time to write new textbooks in Albanian and public budgets have not placed a high priority on libraries" (Hagelund Report, p. 8.).

Bosnia and Herzegovina

OECD Recommendations:

"Convert the Higher Education Council (HECB) into a strong, state-wide higher education council with representatives not

only of universities, but also government and employers. This body should be responsible for a *national* approach to funding, standards, courses, rationalization, and quality improvement. Thus far, however, efforts made in this direction have not been fruitful, and at present, this recommendation may still not be feasible.

"Develop a national strategy on higher education with funding to universities dependent on their achieving the benchmarks for change set down in the strategy.

"Give the Ministry of Education in the Federation fiscal responsibility for all the universities in the Federation which should be funded from one central fund to meet Federal targets. This is not intended to deny individual cantons, business, or grants from NGOs making contributions directly to specific universities for special purposes. Such additional funding should be encouraged.

"Encourage the universities in the higher education system to become more active members of the European university community. This will require a moving away from ethnic division as a basis for establishing a university towards an unbiased objective search for knowledge as part of a national system" (OECD Review: BiH, p. 44).

"Careful study has been made of education finance issues in BiH; only the main issues are reflected here (Council of Europe, 1999):

- "the system does not address inequalities of needs and resources;
- "there is no common pattern of tax revenue transfers from State to local government level;
- "expenditure per primary and secondary student varies significantly across BiH;
- "pupil: teacher ratios are generous, resulting in a high salary bill and low salaries;
- "the very low levels of capital investment are not sustainable without serious damage to the infrastructure" (OECD Review: BiH, p. 40).

"Within faculties and in the university structures, there are no efficiency incentives and any potential savings may not be turned into investment or innovation. Faculty deans are primarily interested in retaining staff, although the workload is often less than full. Teaching staff frequently provide courses at other faculties for extra salary" (The World Bank, Project Appraisal Document on a Proposed Credit in the Amount of 8.0 Million US$ to Bosnia and Herzegovina for an Education Development Project, p. 65).

"External involvement to assist higher education development should target the following objectives:

- "Improved budgeting, financial allocation mechanisms and spending regulation
- "Increased development funds and consensual institutional arrangements for allocating funds- including external support- to stimulate innovation and improve efficiency" (The World Bank, Project Appraisal Document on a Proposed Credit in the Amount of 8.0 Million US$ to Bosnia and Herzegovina for an Education Development Project, p. 65).

Croatia

"No financial autonomy is in place, public funds being disbursed by the Ministry of Finance on a historical basis, taking account mostly of the number of teaching/research posts and less so of the number of students" (Purser and Vlăsceanu, Visit Report, 2002, p. 4).

"The main characteristics of Croatia's financial system for education are:

- "Chronic under-funding;
- "Lack of equity and transparency in budgetary allocation;
- "Unbalanced structure of the education budget, both in terms of categories of expenditure and sources of funds;
- "Lack of synergy (legislative, professional, and institutional) for system change.

"Many issues are neither addressed by, nor reflected within, present legislation. The allocation mechanisms are rigid and based on incremental budgets relying on the allocations of previous years, without medium-term planning and strategic investment targets.

"At the central level, no adequate management information system exists to assist in developing an appropriate investment strategy"(OECD Review: Croatia, p. 10).

2.4.7. OECD RECOMMENDATIONS: FINANCING

"New proposals for a per-capita funding formula should be developed. A new budgetary allocation mechanism based on number of students (weighted as necessary for special characteristics of a school or institution) and allocated through block grants should be piloted at the regional level.

"A new framework for diversifying financing sources should be set up, including incentives for private participation in funding education. This could include user fees in tertiary education and training, with scholarships schemes for poorer students.

"The current geographical allocation of public education spending should be addressed through formulae that will compensate for inequities. The new allocation models will have to increase available resources and allocate public funds more efficiently as well as more equitably" (OECD Review: Croatia, p. 30).

OECD Recommendations:

- "The autonomy of higher education institutions' needs to be strengthened through changes in legislation. The state, however, should preserve its capacity to oversee the efficiency of public spending in the system, the quality of education and research, and to hold the Higher education institutions publicly accountable for the quality of services they provide.
- "The envisaged changes in funding mechanisms for higher education institutions should be supported. International experience shows that the transfer of lump

sums to the central university management, rather than to faculties, contributes to more efficient operations. Balanced internal funding procedures should be developed to account for the autonomy of individual faculties, and – overall – for efficient spending.

- "The proposals for broad introduction of 'market mechanisms' in the higher education system may be counter-productive at present. Introducing tuition fees for all students may have negative effects on important issues, such as equity of access to higher education; balanced funding of different fields of studies to reflect longer-term needs of the country, as well as on the overall harmonious development of the higher education institutions themselves.
- "A student loan system, envisaged in the proposed higher education legislation, should be introduced gradually with intermediate assessment of results. The student stipends remain essential for socially and economically disadvantaged families, and might be preserved for some categories of students" (OECD Review: Croatia, p. 33).

FYROM

"The institutional relationship with civil society has to be considered as extremely weak, since civil society as such is hardly existing. An indicator for this observation are the students organizations in the universities (basically organized on faculty level with a lose association at university level). These organizations basically do not fight for their students' interests, but are considered and consider themselves as instruments of the big political parties of the country.

"A very positive approach towards civil society is expressed by the SEE University at Tetovo. It considers itself rooted and accepted by society and wants to contribute to the development of civil society and human rights, democratic citizenship and overcoming of traditions that, *e.g.*, do not respect women's rights.

"An interesting project is conducted by the economics faculty of the University of Bitola. It is aimed to develop agriculture in the region by supporting small farmsteads in improving their production technology.

"A serious legal basis does not exist, because of the legal contradictions. It is more a customary law on work. The new law that is drafted will bring more clearness.

"The financing is implemented by the Fund on the Higher Education Activity. Its organ is the Management Board consisting of 15 members (university members). It sets the budget framework of the faculties ['lays down the terms and conditions for financing the activities for the universities, decides upon the investments, decides on the scholarship system...'] (Art. 85)" (Kaser Report, p. 10).

"Of the six SFYR republics Macedonia was one of the least developed economically" (OECD Review: FYROM, p. 5).

OECD Recommendations:

- "Introduce incentives for higher education institutions to mobilize additional sources of revenues. Adequate funding of public universities is a major challenge for the government, and is likely to remain so for some time to come. Higher education institutions should be allowed to retain the revenues they obtain through entrepreneurial activities, and these should be encouraged further by appropriate incentives. The present incrementally based method of funding higher education institutions should be replaced by a normative, criteria-based system that provides incentives for revenue generating activities" (OECD Review: FYROM, p. 43).
- "Higher education is chronically under-funded. The economic situation of the country leaves politics not much space. Significant financial input has to come from other sources, if changes are desired.
- "The new private SEE University at Tetovo is an excellent method in order to allocate money from foundations in a proper way" (Kaser Report, p. 11).

FR Yugoslavia

SERBIA

"The great majority of the state budget is for covering salaries. The official salary of a full professor is currently 250 Euro per month (the ratio of highest to lowest is 2.4/1 as for the whole academic staff), of which the faculty may add 30 percent extra if the source is available. Due to the terribly low salary level, the 30 percent could be exceeded although it was not publicly announced. The parliament has passed the Law on Treasury just recently, which will create a new situation, so 'silent agreements' about salary scales, etc. cannot be maintained in the future.

"All the premises need serious renovation. Library, laboratories, dormitories, cafeterias, etc., are in very poor conditions" (Frenyó Report, p. 30).

"Financial sustainability of the Government's educational reforms depends largely on the soundness of the plan for financing locally provided education programmes. Current plans propose excessive reliance upon municipality revenues for financing basic education. This proposal entails a serious risk that the poorest and smallest municipalities will not be able to afford education of minimally acceptable quality. The Strategy Development component will help develop a more viable financing formula. For secondary and higher education, there should be greater involvement of the private sector as incomes recover and as households can afford to pay a larger share of the costs of education. Fees for public higher education should also increase substantially as incomes recover. The Strategy Development component will help develop policies for greater private participation and cost recovery in secondary and higher education. To reduce the risk that decentralization and greater private provision could degrade education quality, the project's Student Assessment, MIS, and Monitoring and Evaluation components will help in the long run to monitor outputs and trigger remedial action when educational performance of particular municipalities or

institutions slips below acceptable levels" (WB Education Decentralisation).

"Universities suffered from a severe lack of investment over the past decade, which means that some premises need renovation, libraries are under-stocked and under-equipped, modern technology is outdated or does not exist, and means for experiments and research are lacking. All these constraints combine to cut off Serbian universities from the rest of the world and seriously impede their possibilities to compete in the scientific world. Of course, the students also suffer from these shortcomings – especially when it comes to teaching materials, learning to work with computers, and research. Since the change of government, there has been a 'rush' from foreign universities to work with their Serbian counterparts, but it will take some time to see the benefits of these exchanges and to assess the quality of these projects, agreements and other activities" (OECD Review: Serbia, p. 42).

Kosovo

"The financial situation in general in Kosovo, and in particular in higher education is extremely poor. The physical conditions, the current state of all the premises, the running and maintenance situation are miserable. Beyond that the salary scale is also discouraging (a professor's salary is 250 Euro, an assistant's, 150 Euro a month) so there is a realistic fear of loosing the younger generation or not being able to convince them to start any academic career" (Frenyó Report, p. 26).

"In a severe financial stress situation, every anomaly in the system of financial administration creates a considerable tension. Peripheries (Faculties and other units, mostly out of Priština) feel that the budget planning, the final proposal of the university about the budget request and its planned break down as well as the expectable share of the different units are not known by them in time, so in that respect they feel that the central financial administration is not transparent for them. They would rather accept the painful reality of shortage, than not knowing anything about their potential chances concerning the fiscal year to come. Also they would like to have

a dependable allocation of their share in relation to time, in order to be able to use the very limited resources more efficiently. While they accept the necessity of accountability, and as a consequence of that the system of central accounting and centrally controlled financing mechanisms, they found, however, quite frustrating that even the project money (which also appears directly on the central university account) often times will never return to them, who prepared the project and worked out the contract with, *i.e.*, some companies, saying that it had to be offered to some other unit of the university which is even in a worse shape. Although an appropriate level of solidarity should also be established between the different units, the actual method - presented by some smaller units of the UP - of central financial administration is certainly not appropriate.

"Another complaint that they are is related to the tuition fees collected by the different units, has to be sent immediately to the center, but they often do not know anything about how used. Those who generated that fee by attracting students to join them feel that they should have a part of that sum back for their use under the conditions prescribed by rules and regulations.

"Another concept related problem is the limited rights to collect fees, since the International Administrator is not in favor of substantial fees. Therefore all those programmes (like master programmes), which need extra effort of the academic staff, cannot be financed officially due to the already very low level of wages. However some Faculties collect some fees (*i.e.*, 500 Euro/semester for master training) illegally, which can even be considered as corruption although the money is used to cover the extra costs of that training. In such a shortage, some tolerant mechanism for generating extra budgetary sources related to teaching, training should certainly be advisable, in order to strengthen legality and transparency of the system" (Frenyó Report, p. 26).

"Fiscal policy in Kosovo can only be rudimentary, given the present circumstances. It is a cash-based, Deutschmark

economy without domestic financial instruments, no domestic currency, a weak banking and credit system, and operating without clear laws or spasmodically, under FRY laws and regulations that are no conducive to attracting foreign investors. Budgets are not unified; recurrent budgets are met by a mixture of local taxation and donor support, while capital budgets are entirely donor-funded" (OECD Review: Kosovo, p. 13).

OECD Recommendations:

- "*Strengthen regional co-operation* (e.g. with Tetovo, Macedonia, and with higher education in Serbia, Montenegro, and Albania), and resolve the issue of the 'university in exile' in Mitrovica.
- "*Focus on equipping* the new Central Laboratory Unit and Library to support learning, teaching and research.
- "*Exercise less control and provide more guidance.* The main aim should be to turn away from the 'directive type' towards a model offering better counseling, supervision and guidance through interaction and support.
- "*Combat corruption.* As in most areas of Kosovar society, corruption is manifold within the higher education system. This creates the most idiosyncratic developments, where certain outspoken allies of reform often become the cause of public discontent. Alleged job buying, trade of examination questions and answers, misuse of donations are among the problems in this area. Education has always been a highly politicized training ground for diverse political forces. The university still dominates in perpetuating this phenomenon despite the first attempt to implement democratic statutes and more transparent structures" (OECD Review: Kosovo, p. 41).

MONTENEGRO

"The value placed on education is high, and a large proportion of society has received higher education (reportedly, 40 percent of families have one or both parents with higher education)" (Gabrscek and Dimc, Bled Seminar, p. 279).

"The overall state of the university infrastructure is in bad shape, although modest renovations have already started. Library and research laboratories need substantial improvement and the recognition of that need is clear at the university level. International Agencies already provided certain help, but much more is needed in order to make real progress. The university hopes to get more and more involved in international projects, which can also add to the improvement of infrastructure" (Frenyó Report, p. 22).

"There is a great need of premises to be renovated. Library, laboratories other facilities are in very poor conditions. Students consider their learning environments as 'museums'. Since students and professors can see through the Internet what conditions are available in other universities in the world, they feel more and more disappointed.

"An urgent need to be solved is the extremely small space available for students for out of class study. According to the chair of the student union, no more than 300 seats are available for more than 12 thousand students to serve the above purpose" (Frenyó Report, p. 10).

"Issues and barriers in higher education. There are 667 members of academic staff, all of them qualified, and the student/teacher ratio is 12:1. Some university departments are very small and essentially non-viable, but because of their special interest 'for Montenegro', the team was told they cannot be closed.

"Compared with the steep rise in tertiary enrollments in most OECD countries and in nearly all countries in the SEE region, Montenegro's higher education sector appears stagnant, and is unlikely to produce the volume or the kind of intellectual and professional leadership needed for national and economic progress" (OECD Review: Montenegro, p. 42).

OECD Recommendations for governance, finance, and administration:

- "Improve efficient use of financial resources. It is unlikely that the already large share (30 percent) of the national

budget, or of GDP (7.1 percent) for education can be expanded much further; indeed it is likely that these shares will shrink unless Montenegro's economy improves. Even so, there is no doubt that a major injection of resources is needed within the next year if Montenegro's school system is to avoid a further decline in quality. As an emergency measure, external assistance might be sought to boost teachers' salaries, although this raises questions about longer-term sustainability. Clearly, the use of existing resources must be made much more efficient if extra funds are to be freed for salary improvements and for desperately needed investments in buildings rehabilitation, furniture, equipment, and learning materials.

- "Expand the overall financial resource base. At present, there are no incentives for private and other non-state financing. There is a great need to increase and diversify available resources. In this context, the provision of (fiscal, tax, etc.) incentives to employers – not only in the crafts sector! – to encourage broader participation in education and training could unlock a largely untapped resource.
- "Redress the imbalance and rigidity of the budget. At least 88 percent of all education funding goes for salaries, and all spending is focussed on recurrent costs. Capital expenditures are a sensitive issue because they are theoretically covered from both central and local budgets; but respective responsibilities should be more clearly negotiated and agreed. The budgetary allocation mechanisms through which resources are assigned are rigid and outdated; there is also a need to test incentives and other mechanisms (*e.g.*, ensuring that schools are entitled to retain the funds they raise, providing matching funds etc.) to motivate schools to generate additional income for themselves, provided that educational quality does not suffer.

- "Rapidly improve the material situation of universities to ensure quality in teaching, and to enable students and staff to communicate with the outside world (*e.g.*, through the Internet)" (OECD Review: Montenegro, p. 42).

2.5. Quality Assurance and Study Programmes

2.5.1. LEGAL BASIS

Albania

"The 1999 new University Act (based on the Danish University Act) defines the institutional landscape with the Ministry of Education, state and private educational institutions, the Rector's Conference and the National Accreditation and Quality Assurance Institute" (Hagelund Report, p. 8).

"The Higher Education Law regulates the organization of the higher education institutions, level of the university education types and types of degree courses.

"There are specific laws on accreditation of higher education and recognition of diplomas. Universities have internal regulations. The major institutional normative document is the University Statute" (Gabrscek and Dimc, Bled Seminar).

"In accordance with the education laws, there are a series of rules and regulations where important matters for the fulfillment of the educational process (such as assessment of students, standards concerning the lessons of teachers, etc) are formulated" (Gabrscek and Dimc, Bled Seminar, p. 135).

"In 1999 the Accreditation Agency of Higher Education has been legally established.

"All diploma and educational programmes are recognized by the state, according to the decisions and legal regulations" (Gabrscek and Dimc, Bled Seminar).

Croatia

"The government documents include references to general education models and norms but have little details about

quality, efficiency, and equity objectives and measures" (Gabrscek and Dimc, Bled Seminar, p. 191).

"The New Higher Education Law adopted in 2000 foresees (among other things) the introduction of improved quality assurance mechanisms, new procedures for the development of academic programmes and curricula (Haugh and Tauch, Trends III, p. 46); (OECD Review: Croatia, p. 26).

."A Higher Education Council Board, representing all seven universities, with expert and advisory role in relation to other local and international authorities and organizations working in the field of higher education was established. Till recently, the board had no recognized mandate and no legal status. Now the situation is changed. The Entity Prime Ministers signed a decision in December 2001 giving officially recognized mandate to the HECB" (Glanville, IC Strategy).

"The Higher Education Act of 1994 introduced also the Master's degree in university studies (OECD Review: Croatia, p. 26).

"There is a Law on Equivalence of Foreign School Documents, Education in Languages and Scripts of National Minorities (2000) (OECD Review: Croatia, p. 7).

"The Senate of Zagreb University adopted, in February 2002, for the first time, a framework strategy 'Break Through 2002' (Purser and Vlăsceanu Report, p. 3).

Bosnia and Herzegovina

"No legislation or procedural mechanisms ensure the homogeneity of academic standards or allow the comparative assessment of the performance of academic institutions" (Gabrscek and Dimc, Bled Seminar, p. 181).

"The shift of educational authority to the cantons meant each canton had the legal right to govern and manage its own higher education system" (Gabrscek and Dimc, Bled Seminar, p. 153).

"The legislative Reform Programme for Higher Education and Research (since 1996 supported by the Council of Europe) was instrumental in establishment of the National Higher Education Coordination Board (a general advisory mandate to

oversee standards and accreditation, support a system of institutional quality assessment and self assessment bench marked against good European practice)" (Gabrscek and Dimc, Bled Seminar, p. 189).

The Board was given a legal status and mandate through parallel decisions being signed by two Entity Prime Ministers in December 2001/January 2002. The objectives of HECB are to encourage and enhance the development of education and maintenance of academic standards in the institutions of higher education in BiH and to ensure that these are comparable to standards and practices in the rest of Europe.

"Legislation on higher education quality assurance does not really exist. There is a clear lack or at least a misunderstanding of what standards and norms in higher education really mean in a recent European context. Local legislators equate the conditions for normal education processes with the norms and standards applicable to reach the quality assurance environment (see Article 11 of Tuzla Canton Law on University, or the Article 19 and 116, respectively, in the Sarajevo Canton Law on Higher Education" (ACA Report, p. 24).

FYR of Macedonia

The main aim of the new law of 2000 is to promote more flexible and compatible curricula. The new law devotes several sections to issues of quality assurance and recognition of diplomas and degrees. The main requirements are for licensing of a HEI by a Licensing Board, and the periodic evaluation of management, financing, academic and other activities such as research. The latter is to be accomplished through self and external evaluation, and joint quality assessment of the academic staff by the Higher Education Agency of Macedonia (Art. 23-32).

"The new higher education law of 2000 makes the introduction of ECTS compulsory" (Haugh and Tauch, Trends III, Table 4, p. 59).

"Accreditation Board, within the Ministry of Education and Science legally established (2000).

"The legal basis is still the law of 2000. It created: (*i*) An Agency for evaluation; (*ii*) A Board of accreditation; (*iii*) An Inter-University Conference. In reality evaluation does not exists, accreditation is still full of obstacles" (Kaser Report).

FR Yugoslavia

SERBIA

Provisions on quality assurance and accreditation issues mentioned in the new draft law.

"The Interim Law will mention the necessity of creating an accreditation board, but according to the latest information, it will not order the establishment of such a body. It would, however, be one of the most important actions to be taken in order to set national standards and secure the average quality in both, public but moreover in private higher education.

"The new Interim Law will create the legal framework for the introduction of the 3-5-8 systems as well as the ECTS" (Frenyó Report).

KOSOVO

"The new law on higher education provides the necessary legal framework for the establishment and functioning of an accreditation system, as well as talks about the necessity of QA. Responsibilities are also spelled out in the university Statute about quality assurance" (Frenyó Report).

MONTENEGRO

The new law on higher education will provide the necessary legal framework for the establishment and functioning of an accreditation system, as well as for further discussions about the necessity of quality assurance.

"Although a recommended model will be offered in the draft law, it is still not determined in the ministry yet, where the accreditation board should belong. There is however more and more an understanding that it should be located at an equal distance from government and university, in order to provide objective ground for operation. So it is accepted that a reasonable autonomy of that body is absolutely necessary. So

the legal framework for quality assurance and Accreditation is going to be present, but details are not yet known, also very little is known about the introduction and implementation of a quality assurance system" (Frenyó Report).

"The new law will take care of the introduction of the 3-5-8 structures, based upon the credit transfer system. Similarly, life long learning as well as open distance learning – which do not yet exist – will be described in the law. Moreover, the law will prescribe the time frame too, providing the deadline for submission of the credit system based curricula for accreditation until 2005. No courses will be accredited after 2005, unless it is based upon the ECTS" (Frenyó Report).

"Passing the new law by the parliament is even more urgent from the point of view of ECTS introduction, because until that time an earlier law applies, which does not recognize the credit system" (Frenyó Report).

"Focal reform process of education (including legal reform) refers to streamlining the quality of courses and research" (Zecevic and Hummer Report).

"Setting up by law a National Council of Changes in Education (NCEE) with role of advising on major issues of the education reform (5 committees)" (OECD Review: Montenegro, p. 12).

"A new university law is in preparation and discussion. The new law is intended to reduce current faculty rigidity (for example by introducing modular course structure and allowing better co-ordination and porosity between courses and faculties)" (OECD Review: Montenegro, p. 38).

2.5.2. AGENCIES FOR QUALITY ASSURANCE AND ACCREDITATION

Albania

Accreditation Agency of Higher Education (1999)
"Lek Dukagjini" Nr. 5, Tirana
Contact person: Perparim Hoxha
Phone: 00 355 42 579 54
Fax: 00 355 42 579 54
E-mail: P_hoxha@yahoo.com; Phoxha@Albmail.com
Web site address: <<http://www.see-educoop.net/education_in/pdf/structure_higher_educ-alb-enl-t05.pdf>>
Project supported by TEMPUS to support the agency (1999-2002)
Foundation year: 1999
Member of the INQAAHE

ENIC: Ministry of Education and Science
General Directorate in Policy Development and International Co-operation 23, Rruga e Durresit, Tirana, Albania.
Tel: 355-42-22260
Fax: 355-42-27975
Web site address: <<http://www.skvc.lt/Alb/Enicalb.htm>>
Contact persons: Director: Prof. Dr. Genci Vinçani, Director for Development Policies;
Person in charge: Mr. Edmond Hajderi

"According to the law of 1999, the installation of a National Accreditation Council and Quality Assurance is foreseen, but not yet realized. Since more than a year only an Accreditation Agency exists, but it does obviously not properly the work. The aims of the National Council are: to examine the results of the Agency; to evaluate the quality of the universities (this includes also closing down of universities); to report to the Council of Ministers" (Kaser Report).

Bosnia and Herzegovina

"Quality assurance or accreditation agency conceivable only at national level" (OECD Review: BiH).

National Higher Education Coordination Board (HECB)
Address: Representatives of Ministers of Education and members of the higher education academic community
Foundation date: June 2000
Functions/Status: Permanent, professional, consultative body with advisory capacity in all maters regarding the policy.
Priorities: quality assurance, recognition of diplomas, mobility of students and professors and the development of open and long distance learning Education in Bosnia and Herzegovina - Parliamentary Assembly Recommendation 1454, 2000, <<http://cm.coe.int/dec/2001/748/72.htm>>

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Web site address: <<http://www.unsa.ba/eng/home.html>> - mentioned as national body responsible with recognition of foreign credentials Herzegovina-Parliamentary Assembly Recommendation 1454, 2000, <<http://cm.coe.int/dec/2001/748/72.htm>>

Croatia

Croatian National Equivalence Information Centre (CRONEIC)
Ministry of Science and Technology. Higher Education Department.
Strossmayer Square 4, HR-1000 Zagreb, Croatia.
Tel: 385-1-459 4481 Fax: 385-1-459 4489
E-mail address: Office@science.hr
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Data:
"Council of Higher Education: an example of intermediary organization (located between the governmental agencies and the local and school level authorities) established with the main purpose of evaluating all institutions and programmes" (Gabrscek and Dimc, Bled Seminar, p. 192).

The Directorate for Higher Education
Ministry of Science and Technology. Higher Education Department.
Strossmayer Square 4, HR-1000 Zagreb, Croatia.
Tel: 385-1-459 4481
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Includes student affairs, admissions quotas, student data processing, issues concerning academic standards, student appeals, student life and programmes. The Directorate evaluates the quality and effectiveness of teaching, research, and professional work in higher education institutions and prepares reports on the requirements necessary for new programmes and courses in higher education institutions, provides background research and analysis for reaching decisions on the development of higher education. The Directorate is responsible for logistic support of the National Council for Higher Education (MST, Croatia).

The Directorate for Legal and Administrative Affairs
Ministry of Science and Technology. Higher Education Department.
Strossmayer Square 4, HR-1000 Zagreb, Croatia.
Tel: 385-1-459-4481
Fax: 385-1-459-4489
E-mail address: office@science.hr
Contact: Ms. Brigita Klobucar, Head
Tel: 385-1-4594-372;
Fax: 385-1-4594-469

The Department solves administrative issues and monitors efficiency, use of financial resources and the value of work performed. It also evaluates the consistency between the mission and the organizational structure of the Directorate assessing the manner in which civil servants and others [perform their duties]. It monitors the work of higher education institutions, scientific research activities, scholarly associations, etc.

FYR of Macedonia

Accreditation Board
Ministry of Education and Science
Dimitrie Cupovski 9, 1000 Skopje
Phone: 00-389-91-117896
Fax: 00-389-91-118414
E-mail address: vladimir@mofk.gov.mk
Contact person: Prof. Dr. Vladimir Ortakovski
Founding date: 2000

ENIC: Ministry of Education
Ul. Dimitrije Cuposki br. 9, M-91000 Skopje, Republic of Macedonia.
Tel: + 389 91 106-516
Fax: + 389 91 137-277
E-mail address: nimana@yahoo.com
Web site address: << http://www.mofk.gov.mk>>

Contact persons: Ms. Marija Taseva, Head of Department/ Higher Education
Person in charge: Mrs. Nadezda Uzelac, Senior Adviser
E-mail address: nimana@yahoo.com

For education in general:

- "Assessment Unit at the Ministry of Education/Pedagogical Unit national level;
- "Objective: evaluation of education and integration of the country in the international measurements of achievements; to establish relevant indictors for the quality of educational system, to provide on national level more adequate monitoring of the results at the end of each levels of education; to create conditions for introducing of self-evaluation as a highest degree of the evaluation and grading in education" (Gabrscek and Dimc, Bled Seminar, p. 265-266) (Initial Insight, <<http: www.mn.gov.mk/inform/En/strategija>>).

For higher education:

"*i) The Board for accreditation* is established and consists of 5 professors, working independently with administrative help of the ministry. There are many practical problems. The recognition of studies abroad can take many years (3-4). Curricula, certificates, etc., have to be translated. Every applicant has to provide such a document, even when he or she studied the same subject at the same university. The recognition of foreign interdisciplinary diplomas is a big problem, since interdisciplinary studies do not exist in the country. The same is the case with not existing study programmes. ECTS is not even being discussed

ii) The Agency for evaluation exists only formally: it consists of 9 University professors. Practically the law does not specify how the agency should work, who shall pay for the logistics and for the administration. The new law shall clarify these matters: The operation, the way of making decisions and the evaluation procedure, as well

> as other matters in the scope of the operation of the Evaluation Agency, are more precisely arranged by a Statute... The Statute is proposed by the Evaluation Agency, and is passed by the Government ... after a previous opinion by the Accreditation Board' (Art 30). An office in the ministry will collect the pertinent evaluation data - and it will be up to the ministry how to react. A unified classification system shall provide the basis (see *Klasifikacija na naucnom podracja, polinja i oblasti (disciplini) na istrazivanja*, Skopje-Bitola 2001).

At the moment every faculty elaborates its own procedure for a kind of self-evaluation" (Kaser Report).

FR Yugoslavia

SERBIA

ENIC
Ministry of Education and Sports
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E-mail address: minvisokosr@yubc.net
Contact persons: Ms. Srbijanka Turajlic, Head of unit

Department for International Education, Cultural and Sport Co-operation,
Federal Ministry of Foreign Affairs
Senior Counsellor: Dubravka Radevic
Kneza Milosa 24-26
11000 Beograd
Yugoslavia
Tel: +381(11)-361-6333
Fax: +381(11)-361-8030
Telex: 11143
E-mail address: smpi@smip.sv.gov.yu
Objectives mentioned: Recognition of studies and qualifications

"There is no detailed information whatsoever about the functioning of that future accreditation body, so capacity building in that field is desperately needed" (Frenyó Report).

Kosovo

"By the power of the law, the central authority (ultimately the ministry) is going to establish the Kosovo Accreditation Agency (KAA), which shall assist higher education, through licensing, inspection and accreditation by professional and transparent methods, to develop their potential and maintain and enhance the quality of its activity.

"KAA will also undertake periodic quality audit of already licensed higher education institutions, issuing decisions on accreditation or re-accreditation. It also undertakes periodic quality assessment of courses and programmes of accredited institutions. KAA also advises the central authority about the results of quality assessment and its consequences. Conclusions, decisions, and recommendations of KAA have to be published.

"Members of the KAA will be appointed by the central authority from among active higher education academics coming from and outside of Kosovo. The maximum number of members is going to be 9, including two foreign experts" (Frenyó Report).

"World Bank supported the establishment of a small unit (UNMIK/DES) with specialists for measure and monitor the quality of education outcomes. The unit would conduct sample based national assessment of educational performance in some key domains" (OECD Review: Kosovo, p.17).

"The Union of Education, Science, and Culture (UESC) has a specific role in education reform" (OECD Review: Kosovo, p. 22).

2.5.3. INSTITUTIONAL QUALITY ASSURANCE

Albania

"Evaluation of the performance of education activities is within the competence of university managing councils (Senates) and science teaching/art-teaching councils in individual higher education establishments.

"All higher education institutions are recognized by the state according to the decisions, law, and other legal regulations. All diploma and educational programmes are recognized by the state, according to the decisions and legal regulations" (Gabrescek and Dimc, Beld Seminar).

Croatia

"Council of Higher Education, an example of intermediary organization (located between the governmental agencies and the local and school level authorities) established with the main purpose of evaluating all institutions and programmes" (Gabrscek and Dimc, Bled Seminar, p. 192).

"The Council includes academics and disposes of no administrative staff assistance and no thorough analyses of the system. The meetings are occasional, and the decisions are mostly *ad-hoc*. This is a rather critical situation considering that the Council is expected to propose strategies and be responsible for advising on such important matters as quality assurance" (Purser and Vlăsceanu Report).

"The Directorate for Higher Education deals with issues concerning academic standards, students appeal, student life, and programmes. The Directorate evaluates the quality and effectiveness of teaching, research, and professional work in higher education institutions and prepares reports on the requirements necessary for new programmes and courses in higher education institutions. It provides background research and analysis for reaching decisions on the development of higher education. The Directorate is responsible for logistic support of the National Council for Higher Education" (MST Croatia).

"The Directorate for Legal and Administrative Affairs resolves administrative issues and monitors efficiency, use of financial resources and the value of work performed. It also evaluates the consistency between the mission and the organizational structure of the Directorate assessing the manner in which civil servants and others [perform their duties]. It monitors the work of higher education institutions, scientific research activities, scholarly associations, etc.

"Assessment function exercised also at the local level as an internal responsibility of education units and not at the central level" (OECD Review: Croatia, Chapter on Education in General, p. 19).

Bosnia and Herzegovina

"There are no mechanisms of mutual recognition or even joint efforts to set up qualification requirements and accreditation. Cantons do not provide a legal basis for diploma recognition (Tuzla an exception). At present, only *de facto* recognition exists, inherited from the Yugoslav higher education system. There is willingness by the actors to accept studies and qualifications even beyond the Bosnian borders. In practice there are no legal guarantees and hardly any examples in practice" (World Bank, Report. 2000, p. 65).

Lack of curriculum orientation; lack of systematic renewal of higher education courses.

FYR of Macedonia

"In November 1999 pursuant to the decision of the Government of the Republic, the Minister of Education signed on December 24, 1999 a contract for the designing of a document regarding the education strategy. In 2000, the Minister produced the Strategy for education paper. Higher education has been least affected by this document as the autonomy of the University is highly respected and as this system is expected to take active part in the development of the system in accordance with the strategy.

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In the matrix of priorities for 2001-2001 there are some priorities linked with quality assurance in education in general: (4) Introducing of final examination in secondary education in order to have a standard national final examination (till 2006); (11) Establishing the Institute for New teaching methods (till 2002); (24) Developing centers for teaching staff permanent education at faculties for teaching staff preparation (till 2001)" (<http://www.mn.gov.mk/infomr/En/prioriti.html>. The Matrix of priorities for 2001-2010).

"Central management at the 2 universities is not sufficiently strong to provide policy leadership and quality control over the 33 units.

"It is planned to introduce a system of self-evaluation, organized by the faculties. The procedure is still under discussion" (Kaser Report).

FR Yugoslavia

SERBIA

"Education performance is not systematically monitored. Institutional quality assurance-new concept in Serbian higher education" (OECD Review: Serbia).

"Due to lack of better means for evaluating institutions, the success of students in their graduate studies at world renowned universities became the only applied criteria" (Serbian HE Reform, p. 3).

"Standards and evaluation: universities complain that over the past decades [they have] had to lower their standards because of the great influx of students - many of whom were refugees.

"The recognition of diplomas and certificates is left entirely to the faculty. The usual practice relies mostly upon counting the courses and years of studies and not looking for substantial differences. Hence, often the diplomas issued by the same foreign university are recognized by some faculties in Serbia while rejected by the others.

"Great need for self-assessment and peer review but both Higher education institutions and academic staff are reluctant to undergo evaluation" (The Desired University).

"All five universities from the Republic of Serbia are part of the EUA's Institutional review programme.

- "University of Novi Sad: the only university with clear mission statements, with preliminary SWOT analysis undertaken; where the necessary critical mass to support change has been achieved; with emphasis in the self-evaluation phase in view of ensuring an inclusive approach;
- "University of Niš: financial problems, very limited strategic planning, no current quality assurance structures;
- "University of Kragujevać: Need for stricter student admission and assessment criteria;
- "University of Belgrade: no experience; main emphasis on developing a reform strategy; ready to modernize not to reform;
- "University of Art: no experience in quality assurance" (EUA, Quality Assurance Workshop, 2001).

"At university and faculty level, the Education Council is responsible for general quality issues, what is being somehow controlled during the promotion process. Teaching staff – except full professors – have to be granted or re-granted in every five or four years, which process provides opportunity to evaluate the candidate in certain respect. There is no university wide valid requirement system, also the full professors are not subject to any periodic assessment" (Frenyó Report).

Kosovo

"Each faculty sets its own criteria and organize its own entrance exams. They usually test rather basic and factual knowledge and do not attempt to assess the aptitude of students to follow an academic programme" (OECD Review: Kosovo, p 18).

"Student entrance exam results determine 70 percent of her/his ranking in the order of admission and 30 percent determined by Maturita exam. Faculty with less competition use less strict criteria. Usually results on entrance exams for one faculty are nor recognized by another. Olympics [winners] have advantages in entering universities" (Frenyó Report).

"The University of Priština has to be inspected by the KAA no later than 1 September 2003.

"Re-accreditation has to happen at intervals of not more than five years.

"The university Statute makes the Senate responsible – among other things – for: policies and procedures for assessment and examination of the academic performance of students, the content of the curriculum, and quality assurance.

"The introduced quality improvements are going to be controlled every year. The curricula are compared with European standards. Certain rigid rules are lifted already, like the obligation of relying only national textbooks. Instead international textbooks and other reading materials are encouraged to use. Although the IT system is not appropriately developed yet application of Internet on collection and dissemination of the latest results relevant for quality teaching is more and more in use" (Frenyó Report).

"A university level quality assessment did exist in certain respect in relation to promotion.

"The Statute determines the major requirements concerning the position in question.

"The academic staff of UP consists of Professors, Assistant Professors, Lecturers, Lectors, Teaching Assistants, and Research Assistants. All of these positions may be held (at least at the beginning) on a full-time or part-time contract. A selection committee has to evaluate the candidate according to the criteria provided in the Statutes, and provides recommendation to the appropriate body for appointment. The re-election procedure is equal with the original evaluation procedure. Any Professors whose appointments are renewed

shall hold permanent appointments until the age of 65. The same applies for any staff member reaching the age of 55.

While the existing criteria of the particular position should be compared with international examples and standards, in the same time it would be worthwhile to work out a multi-parameter minimum requirement system which would determine certain standards to be achieved within a determined period of time and would create conditions to fulfill even for the renewed professors. The role of such a system is not to create inconvenience for the academic staff, but to encourage them to a [reflect] constant quality production in the field of teaching, research, and service" (Frenyó Report).

MONTENEGRO

"Priorities for 2000-2001 for the MoES have been: (*i*) improve overall teaching and learning condition, (...); (*ii*) foster education reform process which comprise of legislation reform, human capacity building, curricula and textbook innovation, quality system development" (OECD Review: Montenegro, p 9).

"University curricula is confirmed by the Ministry. If a new university is founded, the Ministry is involved in its accreditation process" (OECD Review: Montenegro, p. 18).

"Responsibilities will be mentioned in the university Statute about quality assurance.

"The university Statute makes the Council for Curricula and Research Policy responsible for: policies and procedures for assessment and examination of the academic performance of students, the content of the curriculum and quality assurance.

"Increasing quality of teaching and research became a major issue by now, mostly stressed by the students, while resistance by certain percentage of academic staff is still present.

"The European University Association hopefully will help in the awareness building and capacity building process by offering training courses and study tours for current academic staff. The need however is so great that other organizations – in a coordinated way – should also join that project.

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"As a natural phenomenon, a considerable number of staff is about to retire, and in case new staff will somehow be attracted to join, there will be a natural acceptance of the new requirements" (Frenyó Report).

2.5.4. STANDARDS/INDICATORS/CRITERIA/PROCEDURES

Albania

"No rules and procedures exist for credit transfer after studies at another national institution abroad or in the country" (CHERI The Albanian system, <<www.open.ac.uk/cheri/albania1.htm>>).

"The introduction of an ECTS compatible system is being prepared (Haugh and Tauch, Trends III, Table 4).

"ECTS will be installed by [the] University of Tirana the next academic year (an information brochure is already available).

"Most important seems to be the Lisbon standardization procedure. The ministry wants to implement the procedure, but this is dependent on external finances.

"To foster research at university by university professors is the big aim. In order to achieve that. The following measures are planned by the ministry:

- "To reduce the teaching obligations to 6 (real, not academic) hours for all types of professors and PhDs and 4 hours for the rest;
- "To oblige the professors to publish at least 2 (conference) papers per year (except the fields of natural sciences and technology, which are not sufficiently equipped - the professors there are expected to deliver at least 1 paper), to direct 1 students diploma within 2 years and to direct 1 master within 4 years.

"The problem of co-existing systems of teaching (universities) and researching (Academy of Sciences) is not yet resolved. The plan to integrate the professors of the Academy [of Education] failed, because the state was and is still not able to pay them in addition" (Kaser Report).

Bosnia and Herzegovina

"Currently student assessment is carried out in a non-standardized fashion. Absence of co-operative information on student performance makes it impossible to monitor the achievement of the overall objectives of the process, nor can the system easily be made accountable to the public which currently has little objective information with which to judge the quality of what is being delivered to the young generation" (Gabrscek and Dimc, Bled Seminar).

"Quality assurance started with some self evaluation procedures" (OECD Review: BiH).

"No national credit system. The introduction of ECTS as a pilot project is currently being considered" (Haugh and Tauch, Trends III, Table 4).

Croatia

"The nature of "an educational standard" and the institution entitled to set standards remains a subject of debate. The area will receive special attention from the Parliament in the future. Standards refers mainly to inputs (equipment, textbooks, facilities) but not yet to educational processes and learning outcomes" (OECD Review: Croatia, Chapter on Education in General, p. 19).

"No national standards or external evaluations. The results are not used to provide feedback or to adjust curricula or other educational policy" (OECD Review: Croatia, Chapter on Education in General, p. 19).

"Adoption of the ECTS credit approved by the Rector's Conference for introduction from 1999 and is already used in 11 faculties" (OECD Review: Croatia, p. 27).

"There are no explicit quality assurance mechanisms and standards in place working out mostly with implicit and traditional standards" (Purser and Vlăsceanu Report).

FYR of Macedonia

"Assessment simplified to an obligation of the professor to evaluate the student in numerical grades (that are not based on clear, unified, and public standards" (Gabrscek and Dimc, Bled Seminar, p. 265).

"No national credit system" (Haugh and Tauch, Trends III, Table 4).

"Until now, no standards, indicators, or similar. Gradification is up to the individual will of the professor and leads to a drop-out rate of 75 percent" (Kaser Report).

FR Yugoslavia

SERBIA

"Performance indicators are not used either for education policy development or for international comparisons. The education system is predominantly supply driven, and little emphasis is placed upon measuring attainment or education output.

"So far the quality of departments and faculties has been measured only against the academic achievement of their best students. Little attention has been paid to the average student performance or the teaching-learning environment. Students have not been involved in the evaluation of the performance of their university teachers. Due to lack of better means for evaluating institutions, the success of students in their graduate studies at world renowned universities became the only-applied criteria" (Serbian Higher Education Reform, p. 3).

"Great need for self assessment and peer review but both Higher education institutions and academic staff are reluctant to undergo evaluation" (The Desired University).

"No credit system. The introduction of ECTS is planned. For the time being, one of the newly established post-graduate institutions is experiencing with ECTS" (Haugh and Tauch, Trends III, Table 4, p. 59).

"The student assessment system is as heavily criticized as in the case of Montenegro, mostly by the student associations. As the Interim Law will now create the Student Parliament,

which is going to have a fair election and representation system, more pressure is expected from the student's side. The teaching methods and the assessment system are quite outdated. Teaching staff is often unavailable for consultation or any smaller group activities. Students can repeat the examinations for an almost unlimited number of times (there are however certain financial consequences after a certain number of repeats, but these are not discouraging), they would rather like to have periodic assessment during the year and depend less upon one single final exam.

"On the other hand, the massive number of students has to be taken into account, while planning on a periodic assessment, since at the Belgrade University, for example, one interim test for 70 thousands students would take 70 thousand A4 pages and so much printer capacity, which generate a substantial cost. Even if we know that a great deal of students will very rarely show up, the example still shows the complexity of the problem. In any case, the very fragmented structure of higher education certainly makes rather difficult to establish and implement standardized quality improvement programmes.

"Students evaluation is also not a generally accepted routine in the higher education however it does exist in certain faculties. It is however undoubtedly very important measure and has to be widely introduced" (Frenyó Report).

Kosovo

"No credit system" (Haigh and Tauch Trends III, p. 59).

"Each student's attendance record and exam results are evaluated at the end of the each semester. At the end of the academic year, students sit examinations that determine their progress to the next year. Fulfillment of attendance and exam requirements is confirmed, signed, and sealed in the student's record. Courses and teachers have to be listed (semester confirmation)" (OECD Review: Kosovo, p. 34).

"The most common form of assessment is the examination (written and oral). Students may take an exam up to three times and a fourth time in front of a committee. Failing

students are required to re-take the course or, if they fail again, are deprived of their full time status. The grading system is 1-10, but the lowest four marks are not used (5-fail) Student records are kept" (OECD Review: Kosovo).

"The way of providing knowledge and the evaluation of student knowledge is quite outdated university wide. Putting the emphasis to only one single exam at the end of sometimes more than a year of study does not provide a fair evaluation and certainly does not encourage the student to intensively participate in classes. Class size should be smaller in case of certain subjects at least; more seminars and tutor based training would be desirable.

"Beyond the not so easy change of the mentality and habit of teaching – both badly needed for a substantial increase of quality – one should not forget about the financial aspects of the process too. There will hardly be sustainable changes in the quality of the training system unless quality academic staff can expect a decent salary ....

"Students evaluation, the system how students are evaluating the respected academic staff is not a generally accepted routine at the university as a whole. There are units, however, where the academic community stresses the introduction of a regular students evaluation in order to have constant feedback from the student body.

"Some units, like the High School in Peje has already introduced a questionnaire based upon international experiences, which raise questions about the content of the subject, regarding the teaching methods as well as about the teacher himself/herself. The same school has also introduced a new system of student assessment. The final grade is a composite of multiple activities of the student. Class attendance, the scores of regular quizzes and assays during the year, as well as the final exam (its weight is about 50 percent) determine the final grade. Since then, the students' activity in classes heavily increased, and the engagement of the teaching staff have also been strengthened. The drop out rate has been greatly reduced. Hardly however, but finally the

academic staff accepted that the success of the professor can be measured quite objectively by the success of the students by fulfilling all the requirements" (Frenyó Report).

MONTENEGRO

No national credit system.

"The way of providing knowledge and the evaluation of student knowledge is quite outdated university wide just like in Kosovo. Putting the emphasis on only one single exam at the end of sometimes more than a year of study does not provide a fair evaluation and certainly does not encourage the student to intensively participate in classes. Representatives of the student union (Student Alliance of Montenegro) expressed similar wish as it has been discussed relating to the Kosovo assessment system, that they would like to have multiple measures taken during the study period. They would also like to have more teamwork, having a kind of tutorial system in order to get closer to the topic as well as to the professor. They learned that the draft of the new law is intended to cut back the number of potential exams concerning a single subject (which is practically unlimited), but they can only accept if the way of delivery does not stay as outdated as it is now.

"Student evaluation is also not a generally accepted routine at the university as a whole. There are units, however, where the academic community stresses the introduction of a regular students evaluation in order to have constant feedback from the student body.

"A type of quality assessment did exist in certain respect in relation to promotion.

"The Statute determines the major requirements concerning the position in question.

"The new law will change the academic ranking scheme omitting the lowest level assistant position from the system.

"A high standard minimum requirement and periodic assessment system does not exist yet; although it is quite obvious that moving towards a more competitive system will certainly require it" (Frenyó Report).

2.5.5. STUDY PROGRAMMES

Albania

"In some disciplines like nursing, a professional diploma is offered after 2-3.5 years but the regular first degree, the university diploma, equivalent to a Bachelor, takes 4-6 years. There are specializations (graduate courses) of up to one year, or equivalent to the Master after 1.2 years. An advanced post-graduate degree, comparable to a French DEA, is a prerequisite for admission to doctoral studies.

"In addition to the universities and academies there is a nursing school that awards a professional diploma after 2-3.5 years. Some of short diploma programmes will be taught at new higher education institutions.

"Structure of higher education qualifications:

- "Professional degree (3+);
- "University diploma qualification (4-6);
- "Post university study degree(5-7);
- "PhD doctoral degrees (Haugh and Tauch, Trends III, part 3, pp. 45-55).

Bosnia and Herzegovina

"As a result of Dayton's legal mandate, the educational sector is dominated by politics. Major educational decisions, including curricula, textbooks (...) are made almost exclusively in the context of continuing political tensions between national groups" (Gabrscek and Dimc, Bled Seminar, Chapter on Education in General, p. 154).

"Structure of higher education qualifications (university):

- "First degree, VI grade (3+), given to lawers, teachers, engineers, medical technicians, computer experts;
- "First degree, VIII grade (4+), corresponds to a Bachelor;
- "Specialization studies (5+);
- "Master (6/7+);
- "Doctor (after completion of a master programme)" (Haugh and Tauch, Trends III, part 3, pp. 45-55).

"Business education has not yet developed beyond an embryonic stage in university courses and, where it exist it appears either as a multi-disciplinary component in undergraduate level courses or as part of two year diploma courses.

"There is a lack of courses at university level in public administration. Students have to travel abroad" (Gabrscek and Dimc, Bled Seminar, p. 184).

"A contract of 100,000 USD between the University of Banja Luka and the PMU of the World Bank loan to BiH for higher education development is to be mainly used for elaborating an institutional strategic plan and implement the envisaged changes in the organization and management of the University and in the curriculum of its various study programmes" (Purser and Vlăsceanu Report).

Croatia

"Organized in a binary system he is offering academic and professional studies, respectively, on a superior tertiary level. Their programmes are divided into an undergraduate and a graduate level. In addition there are schools of higher education, either as independent institutions (8) or integrated into universities offering 2-4 year professional programmes" (Gabrscek and Dimc, Bled Seminar).

"The Higher Education Act of 1994 introduced also the Master's degree in university studies.

"The establishment of non-university higher education studies in 1998 and 3 levels of degrees into university studies have been very positive developments" (OECD Review: Croatia, p. 26).

"The educational content of academic programmes in Higher education institutions has been updated. The changes have been most comprehensive in the social sciences and humanities. Diversification of higher education is an important feature of the reforms in the sector, and college level education, together with 3-degree levels in education have been introduced. New curricula for the non-university higher education sector has been introduced as well as for most

university studies. Some universities have also introduced college level studies. With these developments, the issues of quality assurance for the different levels of education have become a priority" (OECD Review: Croatia, p. 27).

"The procedure to enter to higher education is highly selective. The introduction of a national Matura examination to replace the entrance examinations is currently discussed. Higher education institutions in general are opposed to admission based only on the results of national examinations" (OECD Review: Croatia, p. 27).

"Structure of higher education qualifications (universities):

- "University diploma (4+);
- "Diploma in medicine (5+);
- "Master in science (6/7+);
- "Doctor in science ;
- "Professional studies at polytechnics are organized as undergraduate studies (2-4 years), postgraduate professional studies (1+) and postgraduate artistic studies (1+)" (Haugh and Tauch, Trends III, Part 3, pp. 45-55).

"Croatia does not readily recognize a Banja Luka University diploma obtained after BiH independence as valid for the purposes of employment in Croatia" (Glanville, IC Strategy).

FYR of Macedonia

The courses and programmes are set by the faculties themselves.

"World University Service Austria (WUS) conducted a needs assessment for the University of Montenegro focussing on priorities of professors and students. To prevail brain drain there is need of decent tertiary education. To that end several new post-graduate programmes are planned to be developed in cooperation with foreign universities" (Gabrscek and Dimc, Bled Seminar, p. 287).

"Structure of higher education qualifications-universities and faculties.

- "Certificate for level VI (1/2+);

- "Diploma for level VIII.1/Bachelor (4+);
- "Diploma for level VIII.2/Specialist (5+);
- "Diploma for level VIII.2/Master (6/7+);
- "Doctor (after completion of a Master degree).

"The faculties that enjoy a very high degree of autonomy offer postgraduate programmes of 4-6 years plus doctoral studies. Their level is the same as that of universities, but they offer fewer programmes often with specialization.

"A vocational sub-degree is offered after 2 years but this will be replaced by new vocational degrees delivered by the new vocational higher education institutions" (Haugh and Tauch, Trends III, Part 3, pp. 45-55).

"TEMPUS is almost the only positive light in FYROM´s darkness in Higher Education. With support of TEMPUS, new curricula have been developed with the tendency towards an ECTS format. Those responsible see TEMPUS at the moment as the only possibility for a change.

"The study programmes do not leave for the students any choice. They have to pass a fixed and rigid programme. This is one of the reasons for the extremely high drop-out rates.

"According to the law of 2000, new study programmes have to pass the parliament. According to the new law the universities/faculties will be responsible" (Kaser Report).

FR Yugoslavia

SERBIA

"Higher education programmes are offered at universities and research institutes. Universities are the only institutions to offer a first degree. Postgraduate studies can be carries out either at universities or at accredited research institutions.

"Structure of higher education qualifications-universities):

- "Bachelor (4+ Social science and humanities);
- "Bachelor (5+) for engineering and natural sciences- 5 years; biomedical sciences-6 years);
- "M.Sc (6/7+);
- "Doctor" (Haugh and Tauch, Trends III, Part 3, pp. 45-55).

"Curricula overburdened, in some respects outdated and too heavily information and not skills oriented.

"Introducing of new programmes into a rigid faculty system may have little effect on teaching methods. Faculties offer only compulsory courses and no electives" (OECD Review: Serbia, p. 43).

"It has been already mentioned that the Serbian University Association accepted the Bologna declaration and the ECTS. It does not mean that there is no resistance against it, but in both system and institutional level, the decision is solid.

"The new Interim Law will create the legal framework for the introduction of the 3-5-8 systems as well as the ECTS. There are however still a lot to do in order to start reconsidering the entire curricula according to the new system.

"ECTS is not yet introduced, and there is no experience of the impact of that method on teaching. Faculties certainly have to give up lots of tradition to convert the curriculum suitable for the Bachelor – Master – PhD structure. There is no organized, systemic PhD training yet, and that is also something that needs to be worked out against a different concept about the doctoral training as a whole" (Frenyó Report).

Kosovo

"University of Priština currently offers 4 types of studies: undergraduate (4+); scientific post graduate; professional and artistic post-graduate (some higher schools within the university offer 2 or 3 year undergraduate courses). There is a mention of a credit system in the statute but not applied since 2002 at the earliest. Curricula are proposed by faculties and approved by Senate and can be reviewed annually. Curriculum planning is not well-organized. Degree programmes are being revised in line with the Bologna declaration, the 3-5-8 model being approved by the Senate. While it is possible for students to take courses in several institutions simultaneously, recognition of exams among faculties is decided by faculty commissions. There is no co-ordination at University level of such transfers.

"In practice there are no doctoral or professional studies in the University of Priština. However, many post-graduate students take more than 4 years to obtain their Master of Science or Master of Arts, and it is possible then to convert this into a doctorate if the candidate has at least one paper published in a refereed international journal and if the university agrees.

"Some occupations (medicine, dentistry, pharmacology) require a one-year internship plus an exam before a candidate is fully qualified. Lowers must take an examination after 2 years practice before they are qualified to serve as attorneys or judges. These are good examples of bringing university preparation closer to the standards of the profession it serves" (OECD Review: Kosovo, p. 32).

"From 2001, a 3-5-8 model is being introduced, introducing Bachelor and master programmes in all disciplines with the exception of medicine" (Haugh and Tauch, Trends III, Part 3, pp. 45-55).

"Already the new law determines that the Bachelor's degree and diploma courses of the university shall be flexibly constructed so as to allow entry and exit at appropriate points with the award of credits and/or qualifications depending on the progress made by an individual student; in formulating its rules the university shall take into account the current European Credit Transfer System.

"The Bologna concept is widely accepted by now, even though the conditions are not encouraging at all to introduce a substantially different system. (Practical issues of concern for example, the expected mobility of staff to deliver lectures in a remote unit of the UP, as a part of the flexible training system, while the compensation for it cannot even cover the travel expenses, etc.) Anyhow, all Faculties, except the Medical Faculty, have already introduced the 3-5-8 models on an incremental basis.

"Considerable effort has to be taken in order to reconfigure the many different curricula according to the new, flexible system. Structured PhD training programme is not yet

available, however it will be worked out by due time in order to give a chance to the upper level of the 3-5-8 model. The application of the ECTS however certainly increased the teaching load of the academic staff and also needs a lot of reorganization of the programmes, which would certainly require better financial conditions. Apart from all the problems however, the commitment of the University, is strong and they consider the system as an absolute must for the successful completion of the reform of the UP [for it to] become a competitive partner of the European higher education space in a reasonable time" (Frenyó Report).

"The otherwise very ambitious effort of the UP to require the PhD in most of the senior positions even in High Schools (the deadline is October 2002), creates a special problem, what has to be handled with care. Quite a few academic staff could not finish their postgraduate studies leading to the PhD because of the war. The system however does not allow them to keep going and finish the programme in Priština for example, if the study was started, *i.e.*, in Belgrade. So the person should go back to Belgrade, which is not expectable at the moment, or has to start everything all over again. It is certainly an emergency situation and appropriate solution should be found in order to preserve who are important values mostly for the High Schools" (Frenyó Report).

MONTENEGRO

"Tertiary education is of 2 types: short higher education programmes lasting about 2 years and leading to a professional qualification; and a full-length higher education programme lasting 4-6 years. Post graduate studies are also of 2 types: ISCED level 5B for a 1-2 year higher specialization course, or ISCED level 5A for a 2 year Master of Arts or Science course after completion of the first degree. Students who complete their Master's degrees may then proceed to ISCED level 6 to prepare their doctoral theses. There are however no doctoral studies at Montenegro University, and some students complete their doctoral work in Belgrade or elsewhere in Europe" (OECD Review: Montenegro, p. 38).

"The academic Council is the self governing arm of the University. Duration of studies is considered too long compared to OECD countries (5-6 years to become a civil engineer). The university has no lifelong or adult/continuing education or distance education strands. The library is extremely poor, basic IT is insufficient if not missing altogether" (OECD Review: Montenegro, p. 18).

"Structure of higher education qualifications

- "Professional degree (1/2+);
- "Bachelor (4/5 depending on subject);
- "Medical degree (5+);
- "Master (6/7+);
- "Doctor. Research must not exceed 5 years" (Haugh and Tauch, Trends III, Part 3, pp. 45-55).

"The new law will take care of the introduction of the 3-5-8 structures, based upon the credit transfer system. Similarly, life long learning as well as open distance learning – which do not exist yet – will be described in the law. Moreover the law will prescribe the time frame too providing the deadline for submission of the credit system based curricula for accreditation until 2005. No courses will be accredited after 2005, unless based upon the ECTS.

"Passing the new law by the parliament is even more urgent from the point of view of ECTS introduction, because until that time an earlier law applies, which does not recognize the credit system.

"There is quite a high expectation among the younger generation concerning the introduction of the Bologna scheme, since the master programmes are too long and there is no real PhD training programme either, although the new generation very much would like to be involved in an internationally comparable, competitive system" (Frenyó Report).

2.5.6. ISSUES OF CONCERN

Albania

"Need assistance with legal reform, especially with questions of recognition of qualifications.

"Need for setting up an effective system of educational evaluation, including the setting up of an Education Evaluation Agency; for establishing a national institution in order to approve and accredit every educational curricula both state and private" <<Albanian ENIC webpage www.skvc.lt/Alb/Enicalb.htm>>.

Recommendations (coming from the Albanian Ministry of Education and from the University of Tirana).

- "Installation of a Balkan scientific research network by fostering a network of libraries. The background of that is the poverty of each library. Only by creating such a computerized network this problem can be solved. But this costs money that cannot come from the region.
- "Establishing a system of an international programme of distance learning in the Balkans.
- "Support in issues of financial management and quality assurance. Working groups should be organized consisting of universities of the region but also with universities from the EU which have already achieved European standards. The project actions have to very concrete.
- "Albanian Universities need mostly support in information technology (library networks, PCs)" (Kaser Report).

Croatia

Some assessment problems, general for education, but relevant for and with impact on higher education:

"Absence of assessment capacities, sector wide standards, and the limited use of standards in policy making and implementation.

"Absence of reliable, standardized, and accountable examination system as a basis of selection procedures.

"Opposed to governance and finances, assessment and examinations are surprisingly decentralized and hardly focused on at the central level. In contrast, monitoring performances and assessing the impact of policies typically require coherent and often centralized measures (setting standards, defining quality, organizing regular assessment activities. The issues and challenges are twofold: (*i*) government spends little effort to assess the sector's performance, not to assess the comparative performance of regions and institutions; no systematic feedback of results into decisions about allocation of resources. Assessment would help define priorities through investment and output control; (*ii*) the existing regional differences and diversified (secondary) school structure need better mechanism to monitor quality.

"Examinations based on local practices, do not meet basic quality criteria, results not comparable from one class to another across institutions or regions. Objectivity is lacking; no standardized marking schemes.

"Need to redesign the system of assessment and examinations including improving the central capacities and issuing new regulations. An Assessment Board to be established to set the framework for priorities and the institutional framework for assessments and to change the framework of examinations in education, including (for the (short term), an independent professional assessment unit established to carry out regular assessments [according to] new standards set by the Board. New standards need to be piloted and introduced (medium term).

"Need to prioritize reform actions. The most urgent needs: set up a national assessment institution at the *pre-tertiary level* (will influence the higher education level too!!); clearly define the institutional autonomy at the level; strengthen the central government role in setting policies and priorities.

"Quality control and setting of standards of knowledge or competencies to remain at central level" (Gabrscek and Dimc, Bled Seminar).

"The assessment function does not adequately reflect all relevant educational inputs" (OECD Review: Croatia, p. 19).

Specifics for higher education:

"The new law on higher education should put in place effective monitoring and quality control mechanisms and measures to guarantee accountability (internal quality assurance systems within higher education institutions can be stipulated in the new legislation and in the statutes of higher education institutions)" (OECD Review: Croatia, p. 29).

"Lack of staff availability, not only for academic advice but also for scheduled lectures and even examinations (professors teach in multiple locations deprives students of a full time professor and academic advisor" (Glanville, IC Strategy).

"Rector, vice-rectors, deans of Zagreb University and other 3 Croatian universities seem to dispose of a thorough knowledge of trends and developments in higher education policy, governance, policy-making, quality assurance, and development of study programmes. However this knowledge is mostly seen only as a theoretical reference. No concrete developments may be mentioned as matching available theoretical knowledge" (Purser and Vlăsceanu Report).

Bosnia and Herzegovina

"The current lack of well-defined outcome goals contributes to the unresponsiveness of the education system to the demands of the new market economy and to the challenges BiH faces in terms of social cohesion.

"The under-managed system faces major problems of educational performance" (OECD Review: BiH).

"Need to develop a national strategy on higher education with emphasis on quality assurance mechanisms.

"Consistent qualitative information on system performance is still non existent. Need to build an information culture in the BiH community. The first objective is to create reliable and consistent input and output information on the education system through creation of modern management information system. The second objective is to develop a capacity to

evaluate to overall performance or outcomes of the system" (Gabrscek and Dimc, Bled Seminar, p. 169).

"Convert the Higher Education Council into a strong, state-wide higher education council with representatives not only of universities but also government and employers-responsible among others for a national approach to standards, courses, rationalization, and quality improvement" (OECD Review: BiH, p. 45).

"The Higher Education Council, with strictly professional mandate, must have a general advisory mandate to oversee academic standards and accreditation. In particular it could support the development of a system of institutional quality assessment and self-assessment bench marked against good European practice" (Gabrscek and Dimc, Bled Seminar, p. 189).

"To establish, as a half way measure, a Federation Board of Higher Education to advise the Minister of Education in the Federation on strategic directions, resources, quality assurance, and accreditation" (OECD Review: BiH).

"Create an autonomous state-level agency in charge of defining professional standards and assessing the achievements of these standards in BiH. This is seen as a best practice solution to fulfill the need to monitor system outcomes for BiH as a whole. A state level agency should be a prerequisite for ensuring profesionalization and objectivity in such a charged political environment" (Gabrscek and Dimc, Bled Seminar, p. 171).

"Develop more employment related courses. Adopt a common credit system for all courses in all universities to facilitate student transfers and help ensure quality standards.

"Staff development and capacity building at local and state level for policy makers, practitioners, and managers in the field of quality assurance and assessment" (Gabrscek and Dimc, Bled Seminar, p. 90).

"In spite of the May 2000 Phare report stating 'there is no legal (constitutional) ground for setting up a National Body/Center or Quality Assurance Agency that can serve as

the single or focal body for the whole country in terms of providing and promoting the standards of quality assurance', the HECB first term of reference implies that it should become in effect a Quality Agency for BiH.

"The circumstances of BiH are such that it would be of great value to include "peers" from outside the country.

"It will also be valuable to introduce external examiners from outside system for final degree certification which will include examiners outside the country (although language problems might prove insurmontable).

"External moderators for academic appointments and promotions would also be a valuable innovation.

"A key issue is that universities should cease to be regarded as "association of faculties" with the university equated with the rectorate. They need to recognize that they are corporate institutions with a corporate responsibility" (Glanville, IC Strategy).

"The Bologna Declaration is the new reference framework, but at this stage one may identify a rather superficial understanding of its provisions" (Purser and Vlăsceanu Report).

"Passing from a state of implicit, local, and traditional standards of quality to explicit standards and indicators for a quality management system is needed" (Purser and Vlăsceanu Report).

"Need for international standards of education. Only international comparison could realistically assess the quality of the work of individuals units of the university.

"Need to develop quality development methodology for higher education based on current European best practice. This mean multi level quality assessment methods developed at governmental, institutional, department, study programme, and subject levels. At each level, inputs, process, and output will need to be assessed.

"Emphasis on self evaluation, self regulation with as little state intervention as possible

"Wide discussion among professionals as well as academics

"Higher education legislation should consider the recommendations of the Phare Multi Country project quality assurance in higher education: clarity about purposes and terms; no fixed European standards of quality assurance; comprehensiveness; flexibility systems; costs (realistic); faculties effective evaluation; external assistance and support services to build internal systems of quality assurance; develop effective decision making and planning processes at all levels integrates with quality assurance procedures; regional networks; transparency; staff development; accountability of agencies" (ACA Report, pp. 25-27).

FYR of Macedonia

"The evaluation and assessment is one of the weak point of education system. There is no systematic monitoring and evaluation of the quality of the educational system (programmes, process, staff, management, organizations)" (Gabrscek and Dimc, Bled Seminar, p. 265).

"The most efficient means to provide [opportunities to] chance to the youth...is the provision of high quality education. This imposes the need of centrally assisting the development of those areas and of carefully engaging at a later phase in the educational system decentralization" (Strategy for Education, 2001).

"Apart from assuring the quality of education given to students at university level, the quality assurance mechanisms are aimed at attaining European and international standards, and are mainly focused on curriculum development and staff evaluation. There are also plans for introducing a credit transfer system and greater modularization of the curriculum to make the system more flexible.

"Introduce Matura examination system (reduce drop out rate and extended time taken by many students to complete studies).

"Introduce more choices in higher education courses (more inter-faculty and interdisciplinary study programmes)-linked to employment demand in local, national and European labour

markets and could include shorter professional studies in fields such as business and management.

"The evaluation and assessment [system] is indeed one of the week points of the education system.

"The universities are still teaching institutions; research can be hardly conducted. The system allows the professors a maximum teaching obligation of 32 hours per week. The professors go in most cases to the maximum, because the amount of teaching is also a question of salary. The average is at 29 hours. The new law will allow 20 to 30 hours. The ministry provides a fund for research, but by research projects additional salaries cannot be paid.

"The education law is completely addressed to the needs of the University of Skopje" (Kaser Report).

Needs and suggestions:

- Training seminars for university staff, financed from international organizations (University of Skopje);
- Material support in order to establish ECTS (University of Skopje);
- Regional information network - Computers a pre-condition (University of Skopje);
- Academic staff exchange within the region (SEE, University);
- Yearly university meeting of the region in order to develop strategies of the role of universities (SEE, University);
- Regional projects in order to define common values (*e.g.*, common women studies) (SEE, University);
- Joint research projects, which are sociologically oriented (SEE University);
- Creating compatibility of Study programmes (University of Bitola);
- Creating more mobility for students within the region, which would increase the chances that students will return to their home countries.

FR Yugoslavia

SERBIA

"There is no clear information about the composition and functioning of that future accreditation body, so capacity building in that field is desperately needed" (Frenyó Report).

"Quality Assurance as such does not exist in any institutionalized way. It does not mean that the notion is not there already, but the whole system has to be established.

"Legislative steps are absolutely necessary to create framework for quality issues.

"The Interim Law will mention the necessity of creating an accreditation board, but according to the latest information, it will not order the establishment of such a body. It would, however, be one of the most important actions to be taken in order to set national standards and to secure the average quality in both, public but more over in private higher education" (Frenyó Report).

"The quality of education is a special problem. The whole mechanism of establishing quality assurance mechanisms is just beginning in the context of complex and still full of tension political, economic, and cultural context.

"There is no objective mechanism of evaluating educational achievements (objective knowledge tests, achievement tests based on national norms, participation in international school achievement evaluation) nor any established rating of educational institutions.

"Curricula need to be adapted to the needs of the society and to European standards.

"Ministry of Education development strategy/action priorities:

"General: Elaboration of a comprehensive and coherent programme of higher education reform and reaching consensus over the substance of the reform; establishing of the National Higher Education Council-buffer institution in charge of the Serbian Higher Education system and carry its reform. The council will organize appropriate working groups and use its authority to adopt final solutions, will set guidelines for

establishing a number of agencies (among which some that will have quality assurance and accreditation responsibilities)

"Specific: Orientation to quality educational processes and learning outcomes through: co-operation approaches to the procedures for developing a new curriculum framework through participation of the central administration, regional educational bodies and the teacher base, as well as expert and professional teams; ensuring compatibility of educational standards with international models; developing new textbook publishing policy; introducing quality monitoring and assurance systems at national and school level by:

- reducing size of the existing curricula, develop new curricula and introduce modern educational contents and methods;
- setting up strategies teams for curriculum development, combined expert teams to work on individual subjects especially those sensitive to the social context;
- establishing assessment criteria and a comprehensive system of evaluating textbooks through tender procedures;
- establishing a system of educational standards along with introducing systems and procedures to monitor and evaluate educational outcomes on national level;
- modernizing assessment practices as class level.

Recommendations:

- Reform steps should take into consideration teaching standards and evaluation procedures;
- A professional institutional structure - preferably independent or semi independent from the Ministry - should be created in order to develop a clear policy and strategy concerning assessment and examination in Serbia. Such a unit should have an important technical task in developing standards and criteria for different types of educational measurement, including sample based national assessment and better ways for

professors to assess students progress in the classroom as well as external examinations.

"Develop a coherent and valid curriculum policy; Combine a bottom up and a top down process of curriculum design; Promote coherence and consistency-a curriculum Framework

"Students must be part of the evaluation process; need to introduce the ECTS" (The Desired University).

Kosovo

"Taking into account that quality assurance has not been developed in Kosovo (nor in the entire region) so far and not even the culture of it was present" (Frenyó, Report).

"The notion of quality assurance and related topics were not present in the past, therefore we witness an incremental process in that respect. The academic community is far from being enthusiastic about the introduction of such a system, however more and more [it is realizing] the absolute necessity of it. Again, the extremely depressing shortages serve as certain motivating factors" (Frenyó, Report).

"The legal framework for quality assurance and Accreditation is present. The introduction and implementation of quality assurance system is on the way. It became an integrated part of the Reform, which has been largely discussed within the university. Increasing the quality of teaching and research became a major issue by now, although resistance by certain percentage of academic staff is still present.

"The European University Association is a great leverage in the awareness building and capacity building process by offering training courses and study tours for current academic staff. The presence of a fair number of foreign experts also contributes a great deal in that improvement" (Frenyó Report).

"Lack of clear strategies and criteria for quality in education. Reform without vision. Quality is understood in terms of quantitative (input) measures rather than in terms of outcomes. This narrow view of quality is a major obstacle to change in teaching, learning and assessment in particular"

(OECD Review: Kosovo, Chapter on Education in General, p. 25).

"The University of Priština should focus on alignment with Europe through the Bologna Framework. The first steps are: introduction of 3-5-8 year scheme; the application of quality assurance; the adoption of the European Credit Transfer.

"Academic standards and fees are under discussion. Academic standards must be raised to bring back to European levels but with the accompanying risk of discouraging students or losing them altogether. Benchmarking with other universities to verify quality standards should be pursued" (OECD Review: Kosovo, p. 35). .

"Balance speed of the curriculum reform with careful consideration of its impact on the system as a whole. The Proposed Standards and Assessment Board could be the leading Agency in introducing 'new European standards'" (OECD Review: Kosovo, p. 37).

"Improve procedures and data for monitoring and comparing the outcomes of education. Qualification linked with employability is a major asset for building Kosovo future. The proposed Standards and Assessment Board (SAB) can overcome ethnic barriers by providing information useful for all stakeholders. It is important that the assessment instruments used do not merely measure achievement against the old attainment targets but operationalize a transition to more modern approaches" (OECD Review: Kosovo, p. 37).

"Provide professional support for classroom assessment. The activities of SAB should also yield products that would support teachers in their classroom assessment and help them find put how their students achieve with respect to some national average. This could be done by setting up a procedure for making national assessment results and tests available to all teachers" (OECD Review: Kosovo, p. 38).

"Sustain the impact of international agents of change on curriculum, pedagogy, quality assurance, accreditation, research, and continuous upgrading.

"Recognize previous studies obtained elsewhere by students who enter University and conversely Full transparency in the curriculum, examinations and degree award procedures as well as the introduction of a credit transfer" (OECD Review: Kosovo, p. 41.

MONTENEGRO

"The reform process was strongly influenced by the Bologna process. For creating a common European higher education policy, Montenegro needs to provide and implement assurance standards that will make good grounds for subsequent reform activities" (Zecevic and Hummer Report).

"Students believe that the quality of their educational courses remains high, despite enormous problems of finance, library resources, laboratories, computer facilities and inadequate links with other universities in the region and the wider European and world community:

- "The proposed composition of the University Senate (one third government nominees, one third academics, one third students) has raised students' expectations, and they are also encouraged by the CE's support for better quality assurance mechanisms and international 'portability' of diplomas" (OECD Review: Montenegro, p. 38).
- "Decentralisation tends to be a political rather than an educational agenda" (OECD Review: Montenegro, p. 41).
- Chronic under-funding and insularity will undermine academic quality, and it will be important to ensure that standards do not fall below what is internationally acceptable.

Recommendations:

- "Develop the newly established National Council for Change in Education and its committees;
- "Develop a culture of evidence-based policy decision making. A coherent system of quality monitoring, feedback and evaluation throughout the system is

essential. The MoES should develop clear standards and rigorously evaluate the system;

- "Establish a special institution or at least a special function or department in the Ministry of Education for Quality Assurance;
- "A baseline surveys could be conducted to evaluate the quality of education;
- "Assessment and examination should be recognized as highly specialized professional and technical issues that need appropriate human resources and institutional capacities. The same applies to curriculum design and development;
- "Take a critical look at the range of study and disciplines offered-some departments need to be closed other need to be more responsive to the demands of Montenegrin and European labour markets;
- "Update higher education content" (OECD Review: Montenegro, pp. 41-48).

"The notion of quality assurance and related topics were not present in the past, therefore we witness an incremental process in that respect. The academic community is far from being enthusiastic about the introduction of such a system, however more and more one realizes the absolute necessity of it. Again, the extremely depressing shortages serve as certain motivating factor" (Frenyó Report).

"The university leadership quite honestly confessed, that the majority of the academic community was not happy with the Bologna construction at all, but even that layer accepted early on, that the surrounding environment makes it urgent for the university to join the programme" (Frenyó Report).

"Under the current economic situation, the university's capacity could also be used more efficiently under a well structured credit transfer system, which would allow the introduction of modules allowing a better utilization of academic and infrastructure capacities at the five locations of the university.

"The dedication of the University of Montenegro – at least at the decision-making level, but even all around the periphery as well – towards a complex reform, which would put them into the position of a competitive university is profound. With a slight government pressure the process can be accelerated to the speed, which would make reform ideas into reality" (Frenyó Report).

"The Minister of Education and Science expressed his wish to convert the University of Montenegro into a real regional university. In case the academic programmes and the way of knowledge delivery (flexible credit transfer system, Bologna structure, etc.) meet the standard of the good reputation universities in the international arena, the special position of Montenegro in the region would make their higher education offer highly attractive The reason is that there is no real mental and emotional barrier against Montenegro in the Balkans, so they can easily expect a large number of students from Slovenia to Albania, etc., offering eventually a high standard higher education also in favorable locations" (Frenyó Report).

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UNESCO-CEPES (European Centre for Higher Education/Centre Européen pour l'Enseignement Supérieur), a decentralized office of the UNESCO Secretariat, was established in September 1972 with a view to promoting co-operation in higher education among Member States of the Europe Region (the countries of Europe, North America, and Israel). In addition to this major mission, UNESCO-CEPES also serves as a field office representing UNESCO in Romania.

Although the activities of UNESCO-CEPES are focused foremost on higher education in the Europe Region, the Centre also maintains contacts with relevant organizations and institutions in other regions, in conformity with the universal vocation of UNESCO.

Through its pan-European mission and specific competence and experience in Central, South-East, and Eastern Europe, developed over thirty years of presence in the region, UNESCO-CEPES is, in its own way, a unique institution that deals with higher education in the Europe Region by providing bridges for active international co-operation.

UNESCO-CEPES is focusing its activities along the following four main strands:

- Policy and Reform of Higher Education;
- Inter-university Co-operation and Academic Mobility;
- Publications, Studies, and Information Services;
- Status of Teachers and Teaching/Learning in the Information Society.

It also:

- provides consulting services;
- participates in the activities of other governmental and non-governmental organizations;
- serves as a link between UNESCO Headquarters and Romania in relation to the activities of the Organization in Romania.

In order to respond to the need for topical actions in support of the processes of reform and development of higher education in Central and Eastern Europe, including South-East Europe, UNESCO-CEPES has focused its current activities on the making and implementation of higher education policy, legislative reforms in education, academic quality assurance and accreditation, and the recognition of academic and professional qualifications.

It is also concerned with new approaches to governance and institutional management, university autonomy and academic freedom, the status of teachers and their training, university-industry relations, the use of new information technologies, including the Internet/virtual university, and transnational education.

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